

CITY OF CINCINNATI, OHIO

HUD-Approved Version

Consolidated Plan: 2000 - 2004

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Consolidated Plan: 2000 - 2004

For further information, please contact

Ms. Lois Logan
Budget and Evaluation
Room 142 City Hall
801 Plum Street
Cincinnati, Ohio 45202
(513) 352-6264

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Foreword

Organization of Plan

The City of Cincinnati Consolidated Plan is divided into four major sections.

Part 1: Profile of Cincinnati was the basis for the citizen participation phase of the planning. It contains wide-ranging information about the City and the region and attempts to place the problems now facing the city in a regional and historical context. Material taken from Part 1 of the Plan provided a starting point for the discussions during the Community Planning Sessions (described in Part 3).

Part 2: The Planning Process explains how HUD programs are administered locally, how on-going planning processes articulate with the planning process used in preparing the Consolidated Plan, and how City staff, other organizations, and citizens were involved in preparing the Consolidated Plan.

Part 3: Needs and Strategies contains the five year plan for 2000 – 2004. Needs, strategies and objectives are presented for each problem area – homelessness, special populations, housing, and other community needs. In addition, input from community planning sessions that was not incorporated into the plan is presented, as are citizen reactions to the preliminary version of the plan distributed in mid-October 1999.

Part 4: Action Plan represents the plan for 2000 and includes detailed descriptions of the programs that will be funded during the first year of the plan.

The first two attachments to the plan contain detailed tabulations of data that were used during the planning process and in preparing the final plan. Other attachments include a glossary, the text of the public notice and the required certifications.

The organization of the plan does not follow the order in which required elements are described in the HUD Draft Guidelines for Preparing a Consolidated Plan Submission for Local Jurisdictions. The following table is intended to aid in the review of the plan.

| HUD Submission Requirement | Part of Plan: Section in Part (subsection) |
|-----------------------------------|---|
| I: Managing the Process | |
| Required Consultation | Part 2: Participants in Plan Development |
| Lead-Based Paint | Part 1: Housing Stock |
| Lead Agency | Part 2: Participants in Plan Development |

| | |
|--|---|
| Consultation/Coordination | Part 2: Participants in Plan Development Part 2: Implementation Planning Part 3: <i>passim</i> |
| Institutional Structure | Part 2: Participants in Plan Development |
| Citizen Participation | Part 2: Participants in Plan Development Part 2: Citizen Response to Plan Part 3: Each subsection entitled "Community Planning Input" Part 3: Each subsection entitled "Citizen Reaction to Plan" Attachment 4: Public Notice |
| II: Strategic Plan | |
| Time Period | Plan Title and <i>passim</i> |
| Priority Needs Analysis and Strategies | Part 3: Each subsection entitled "Needs" and "Priority Needs" |
| Specific Objectives: | Part 3: Each subsection entitled "Objectives" |
| Homeless Needs | Part 1: Homelessness Part 3: Homelessness (Needs) |
| Priority Homeless Needs and HUD Table 1A | Part 3: Homelessness (Priority Needs) |
| Homeless Strategy | Part 3: Homelessness (Strategies) |
| Needs of Special Populations | Part 1: Housing for Special Populations Part 3: Special Populations (Needs) |
| Priority Needs of Special Populations and HUD Table 1B | The City of Cincinnati has chosen not to use Table 1B, so the Needs subsection for Special Populations in Part 3 contains narrative descriptions of the most important needs for special populations without ranking those needs relative to one another. |
| Housing Needs | Part 3: Housing (Needs) |
| Priority Housing Needs and HUD Table 2A | Part 3: Housing (Priority Needs) |
| Market Analysis | Part 1: Housing Stock Part 1: Homeownership Part 1: Rental Housing Part 1: Public Housing Part 1: Section 8 Programs Part 1: Housing for Special Populations |
| Specific Housing Objectives | Part 3: Housing (Objectives) |
| Needs of Public Housing and HUD Table 4 | The City and CMHA have agreed not to make use of HUD Table 4. |
| Public Housing Strategy | Part 1: Public Housing Part 1: Section 8 Programs Part 3: Housing |
| Lead-Based Paint Needs | Part 1: Housing Stock |
| Barriers to Affordable Housing | Part 1: Barriers to Affordable Housing |
| Fair Housing | Part 1: Race Part 1: Income and Poverty Part 1: Ownership (Fair Housing) Part 3: Housing (Strategies) |

| | |
|---|---|
| Anti-Poverty Strategy | Part 1: Economy and Labor Force Part 1: Income and Poverty Part 1: Neighborhood Revitalization Part 3: Community Development |
| Priority Non-Housing Community Development Needs and HUD Table 2B | Part 3: Community Development (Needs) |
| Community Development Objectives | Part 3: Community Development (Objectives) |
| III: Consolidated Action Plan | |
| Sources of Funds | Part 2: Funding for the Consolidated Plan Part 4: Program Descriptions |
| Statement of Specific Objectives and HUD Table 2C | Part 3: Housing (Objectives) Part 3: Community Development (Objectives) |
| Description of Projects and HUD Table 3 | Part 4: Program Descriptions |
| Geographic Distribution | Part 4: Program Descriptions |
| Homeless and Other Special Populations and HUD Table 1C | Part 3: Homelessness (Objectives) Part 3: Special Populations (Objectives) |
| Needs of Public Housing | Part 1: Public Housing Part 1: Section 8 Programs Part 3: Housing |
| Anti-Poverty Strategy | Part 1: Economy and Labor Force Part 1: Income and Poverty Part 1: Neighborhood Revitalization Part 3: Community Development |
| Lead-Based Paint Hazards | Part 1: Housing Stock |
| Other Actions | Part 3: <i>passim</i> Part 4: <i>passim</i> |
| Monitoring | Part 3: Monitoring |

Profile of Cincinnati

An Overview of the City of Cincinnati and the Greater Cincinnati Region

Cincinnati. Founded in 1798, it was for many years the largest city west of the Appalachians. In Longfellow's commemoration, it was the "Queen City of the West." Churchill thought it was the "most beautiful inland city" in America. *The Places Rated Almanac* in 1993 judged Greater Cincinnati the best place to live in North America. As befits the largest metropolitan area in a region more than 150 miles in radius, it has an enviable collection of museums, restaurants and cultural attractions.

Cincinnati. The central city has one of the lowest home ownership rates of comparably sized cities in the country. The Sierra Club has characterized the region as suffering from some of the worst sprawl in the country. By objective measure, the Cincinnati metropolitan area is one of the most racially segregated areas in the country. Nearly one out of every four City residents lives in poverty.

Cincinnati. Its Consolidated Plan for 2000-2004 must take account of the strengths and weakness of the City and the surrounding metropolitan region. The purpose of this first part of the Consolidated Plan is to provide a framework for the planning process.

Topography

The City of Cincinnati was founded on the north shore of the Ohio River in Hamilton County, Ohio just after the American Revolution. Hamilton County is in the southwestern corner of the state and neighbors southeastern Indiana and Northern Kentucky, both of which are part of the twelve county Primary Metropolitan Statistical Area (PMSA). To the east and northwest lie the Ohio counties of Clermont and Warren, also part of the PMSA. Due north is Butler County, Ohio, the sole county in the Hamilton-Middletown PMSA, which is tightly integrated economically with the Cincinnati PMSA.

Development in Hamilton County was initially confined to a basin area consisting of 3.7 square miles that includes the modern Cincinnati neighborhoods of Queensgate, West End, Over-the-Rhine, and the CBD-Riverfront (see Map 1). This basin area is surrounded by some of Cincinnati's best-known hills: Price Hill, Clifton, Mt. Auburn, Mt. Adams and Walnut Hills. Cincinnatians eventually developed these hilltops and the riverfront to the west and the east. However, before this happened, the basin area was one of the most densely populated urban areas in the world. It was primarily the well to do who could move at first to these hilltops; people who did not have to descend into the congested, polluted basin each day. While several of these hilltop communities long ago lost their gilded edge, there is still considerable wealth living on the verge of the innermost portion of the City. The geographic barrier represented by the hills of the Ohio River valley continues to separate neighborhoods like Sedamsville-Riverside and East End from more elevated and affluent neighborhoods adjacent to them to the north.

Cincinnati began as a river town. Its busy port justified later investments in canals and then railroads, necessary adjuncts to the river transport system and ancillary warehouses along the river. While the river still handles more cargo than the Panama Canal, it is now merely an important component in the regional transportation system, and not the key component. As a result, the riverfront property that was dedicated to commerce 100 years ago has been redeveloped for recreational and entertainment use, with parks and restaurants. One new stadium is under construction and a second is planned. Some housing has been built and more is envisioned. Little commerce and industry remains. The river is now the City's symbol, not its lifeblood.

While the map shows that most of Cincinnati lies between floodplains of the Great and the Little Miami Rivers, another tributary of the Ohio played a more important role in the City's development than either of the Miami rivers. The Mill Creek is now so heavily controlled by decades of flood control projects, and so supplemented by storm water sewers, that many Cincinnatians have probably never noticed its flow, and yet the Mill Creek Valley is as closely involved in the distribution of wealth in Cincinnati as the Ohio.

The meager normal flow of the Mill Creek can hardly account for the depth of its valley, and indeed, much of the valley was formed when it was the original course of the Ohio River, before glaciers blocked the flow and forced the Ohio southward into its present channel. Along this valley, lay the Cincinnati neighborhoods of Lower Price Hill and Fairmount to the west and West End and Camp Washington to the east. The Mill Creek hugs the base of the Clifton hill, with Cumminsville, Northside and Winton Place on its western bank. It continues through the municipality of St. Bernard, which is completely surrounded by the City, and runs north between Roselawn on the east and Carthage and Hartwell on the west.

The Mill Creek provided an avenue for industrial development spilling out of the basin in the 19th century, and all of the communities on the valley floor save Roselawn are

MAP 1

19th century working-class communities that today contain a large proportion of the City's poor. The industrialization of the valley was facilitated by the canal which ran through it and, later, I-75, which traces its course.

The glaciers changed the course of the Ohio and they left behind a significant impediment to hillside construction in Cincinnati. While many of Cincinnati's hills reveal outcroppings of bedrock, and would be suitable for building if it were decided to develop them, many other hillside slopes consist of uncompacted glacial drift that moves when it's disturbed, and sometimes when it's not. A civic group known as The Hillside Trust is dedicated to preventing new development on Cincinnati's considerable hillside acreage, whether the acreage is geologically suitable for development or not.

In addition to industrial and commercial acreage and hillside acreage, Cincinnati contains 153 parks with 5,000 acres of green space. As a result, Cincinnati's population density in 1990 was only 4,620 people per square mile. While this figure is low compared to the densities of other cities, the City is far more densely populated than this average suggests. Indeed, the primary physical impediment to increased home ownership in the City of Cincinnati is the very large proportion of multi-family structures, which can only be understood as a consequence of the restrictions on development imposed by the City's hills.

Transportation

Cincinnati was initially dependent upon river traffic. It later benefited from the great period of canal construction, which added canal towns like Lockland to the constellation of smaller communities in the surrounding area, most of which previously had been stagecoach towns, like Newtown in Anderson Township. It embraced railroads. It was long the only city in America that owned a rail line (the Southern) and even today the Queensgate yards handle over 5,000 cars a day. The railroads permitted the development of the first true commuter suburbs, like Glendale to the north. But primarily the City itself benefited most from these new transport technologies. Canals and railroads extended its economic reach to the north. After inclined railways were constructed to tie the basin area to the tops of Price Hill, Clifton Heights, Mt. Auburn and Mt. Adams, the working class could finally live on the hilltops. The streetcars extended the urbanized area out as far as East Price Hill, Northside, Winton Place, North Avondale, Oakley, and Hyde Park. Residents could travel downtown in 30-45 minutes from any of these communities. The City grew by annexation and was largely built out to the edges of these neighborhoods by 1920, with the narrow lots and front porches characteristic of the streetcar city.

The automobile facilitated the development of Cincinnati's outermost ring of communities: Westwood, Mt. Airy, College Hill, Roselawn, Pleasant Ridge and Mt. Washington. For a brief period from 1930 to 1950, Cincinnatians were building and occupying large numbers of single-family detached homes on lots that would not look

out of place in today's suburbs. Traffic congestion soon followed. Although there was a famously aborted attempt to construct a subway immediately after World War I, Cincinnati has never had mass-transit except for busses. The emphasis on automobile traffic, however, did produce the beautiful parkways of Cincinnati: Columbia (along the river), Central (up the Mill Creek Valley) and Victory (to the northeast). The 1950s saw the beginning of the interstate system, and while the circle freeway, only tiny segments of which are seen in the upper left and lower right of Map 1, was not completed until the late 1970s, the expressways eventually made it possible for people from well outside of Hamilton County to travel comfortably to work downtown in 30 minutes or less. The expressways also opened up the "greenfields" of the surrounding area to a building boom that has lasted 50 years.

Cincinnati's original airport was built in the floodplain of the Little Miami River. After jets became economically feasible, transportation planners realized that the Lunken Airfield could never accommodate the longer glide paths these new planes required. In 1948, it was agreed to relocate the airport to rural Boone County Kentucky, across from the Saylor Park neighborhood. Long-range plans wisely dictated that the airport would be served by upgraded roads, first I-75 and later the circle freeway. Boone County has been experiencing fast growth for the past 30 years. Meanwhile, the Cincinnati business community hosts visitors who are welcomed to Northern Kentucky instead of Cincinnati. Nevertheless, the airport is well run, quickly growing, and considered one of the best facilities in the country.

The pounding that Cincinnati's roads experience led to a deteriorating transportation infrastructure by the early 1980s. With major involvement from the private sector, the City made plans for, presented to the public, and had approved a request for an increase in the earnings tax that would be dedicated to roads and bridges. As a result, the City has been able to rebuild large portions of its streets over the past 15 years. The pace of rebuilding is beginning to fall behind schedule, with the City completing the resurfacing of only 40 miles of street in 1998. Nevertheless, that accomplishment would be well regarded in many other cities and the road system in the City is more of an accomplishment than a detriment.

The volume of traffic in the region as a whole, and increasing travel times and congestion, is more of a problem. Not only is the region failing to meet EPA clean air standards, the near total dependence upon the automobile has had serious implications for the inner city residents, who are often without the means to travel to jobs in the suburbs.

The Ohio-Kentucky-Indiana Regional Council of Governments (OKI) is the regional transportation-planning agency. Three projects described in that agency's report, *Looking Ahead: 2020 Metropolitan Transportation Plan*, stand out for their potential impact on economic development.

- The reconstruction of Fort Washington Way is well underway. The project involves the complete redesign and reconstruction of the interstate system in downtown Cincinnati. As a result of a new alignment, the reconstruction will open an additional fourteen acres of the urban core for development. When it is completed, this project will enable the City's north-south downtown streets to be extended to the river front area (many of them now stop at Third Street). The Fort Washington Way connects I-71 and I-75 through the CBD, the project area being the blank space shown in Map 1 between the two expressways.
- A light rail line is being planned for the I-71 corridor. It would run from the Cincinnati/Northern Kentucky International Airport, through the Cincinnati downtown, university, and medical center areas, and northeast along I-71 to the Paramount King's Island Amusement Park in Warren County. The project is currently undergoing preliminary engineering and environmental studies. In about a year, the studies will be completed and project design can begin. The project, if approved and funded, will be completed in 2008.
- For the eastern corridor, a mix of highway and transit projects is recommended, including expanded bus service and the use of existing rail lines to move people among neighborhoods and employment centers along the rail line between the Cincinnati downtown and I-275 in Clermont County.

The metropolitan transportation plan is designed to support the central city as a regional hub, improve mobility and reduce congestion within urban areas and the rest of the region, and improve access to employment opportunities throughout the region. These projects will improve access to downtown businesses and attractions and to neighborhoods along its route. Perhaps more importantly, the projects will facilitate access by City residents to jobs in major suburban employment growth areas, such as the airport, Warren County to the northeast and Clermont County to the east. Cincinnati has recently had its Empowerment Zone (EZ) approved, although it has not yet been fully funded. The EZ is the outlined area on Map 1 that encompasses parts of the West End and runs northeast into Avondale. The residents of this area must have improved access to industrial and commercial development on the urban periphery.

Water and Sewers

The Ohio River is the source of drinking water for the City and for some other portions of the county. The Cincinnati Water Works also supplies water for large portions of the county outside of the City, from wells in the Great Miami aquifer. During its first 130 years, the City simply drew its water from the river and allowed sediment to settle out after the water was pumped into reservoirs, the biggest and best known of which can still be seen in Eden Park to the east of Mt. Adams. Water

treatment began after World War I, and at that time the intake for the system was moved upstream to the neighborhood of California, where the treatment plant is today. In the past ten years, the City has invested heavily in improved purification techniques. Its carbon filtration system is now judged to produce some of the finest water from any municipal system.

While the quality of the water may be noteworthy, it is the politics of water in Hamilton County that merits this discussion. It is easy to speculate, from the vantage point provided by 50 years, that the City should have insisted on owning the airport, or that it should never have sold water so freely. Few even among the visionary, however, could have predicted all of the ramifications of suburbanization for the central city. And, too, it was a Democratic president (Roosevelt) who initially adopted the policy of promoting the depopulation of the crowded central cities, where a large proportion of the housing was substandard just before World War II, in order to promote the general welfare. Fifteen years later, concerns about the possible use of nuclear weapons caused some to advocate the policy of decentralizing industry and commerce as a matter of national security. Regardless, the City of Cincinnati sold water, and sold it to whomever asked for it, although at that time with a surcharge.

Only in the late 1950s, when greenfields development was occurring almost exclusively outside of the City, and when residents of the surrounding townships realized there were no advantages to being annexed, did the City finally try to tie water sales to annexation. A court ruling went against the City. Cincinnati was landlocked. Townships remained townships. They grew far beyond what township government was ever intended for. Cincinnati is now surrounded not only by many smaller municipalities and villages, but also by several townships with populations in excess of 30,000, an anomaly that exists nowhere else in Ohio. Whatever its attractions may be to its residents (including zero income taxes), township government – with its small staff, small budgets, and usually weak planning resources – tends to be an impediment to regionalism, especially the regionalization of social services.

As a footnote to the history of water in Cincinnati, one positive outcome was the regionalization of sewers. Until the late 1950s, the City dumped raw sewage into the Ohio. When sewage treatment began, with the construction of the Queensgate treatment facility, the City and Hamilton County were able to agree to a regional body to oversee sewers, the Metropolitan Sewer District (MSD). Now, although the City is primarily responsible for the operation of the facilities, the oversight is by a regional body. While regionalism has many benefits, the City sometimes suffers from having only some of the votes. The MSD is now considering major infrastructure improvements in the western third of Hamilton County. Except for the townships immediately west and northwest of Cincinnati, this area's development potential has long been limited by the difficulty of getting sewers under the ridgelines. If sewers are laid, there is the potential for another spurt of development just outside the municipal boundary of Cincinnati.

Annexation and Sprawl

The City of Cincinnati encompasses 77.1 square miles. The land area has remained roughly unchanged since 1960, and only increased about 2 percent between 1950 and 1960. In effect, 140,000 people from the City moved to the suburbs of Hamilton County between 1960 and 1990. Now, however, the major increases in population growth are occurring outside of the central county. One reason the Hamilton County Commissioners are so interested in facilitating development in the western third of Hamilton County is that projections strongly suggest that even population growth in the balance of the county will soon end.

| | 1950 | 1960 | 1970 | 1980 | 1990 |
|-------------------------------------|-----------|-----------|-----------|-----------|-----------|
| City of Cincinnati | | | | | |
| Population | 503,998 | 502,550 | 452,524 | 385,457 | 364,040 |
| Households | 159,129 | 161,827 | 159,838 | 157,677 | 154,342 |
| Household size | 3.02 | 3.00 | 2.72 | 2.35 | 2.26 |
| Balance of Hamilton County | | | | | |
| Population | 219,954 | 361,571 | 471,494 | 487,767 | 502,188 |
| Households | 63,970 | 102,560 | 135,431 | 164,561 | 184,539 |
| Hamilton County Total | | | | | |
| Population | 723,952 | 864,121 | 924,018 | 873,224 | 866,228 |
| Households | 223,099 | 264,387 | 295,269 | 322,238 | 338,881 |
| Balance of Metropolitan Area | | | | | |
| Population | 349,125 | 457,034 | 515,839 | 594,440 | 659,864 |
| Households | 102,514 | 130,488 | 152,683 | 198,757 | 235,541 |
| Metropolitan Area Total | | | | | |
| Population | 1,073,077 | 1,321,155 | 1,439,857 | 1,467,664 | 1,526,092 |
| Households | 325,613 | 394,875 | 447,952 | 520,995 | 574,422 |

HUD projections provided with the Community 2020 software show the population of Cincinnati declining 5.9 percent between 1990 and 2002, from 364,000 to 342,500. Claritas now estimates that the population of Cincinnati is 337,298 and that the number of households is 146,589.¹ Local analyses of county population trends also suggest that the HUD projections might be conservative, primarily because new construction in the balance of Hamilton County has dropped quickly in the late 1990s. The following data from the Ohio Housing Research Network, and based on building permits, shows the fall off in construction in the county.

¹ Claritas data provided courtesy of Project Market Decisions.

| Period | New Housing Units/Year | | |
|-------------|------------------------|-----------------|-------------------|
| | City of Cincinnati | Central Suburbs | Suburban Counties |
| 1980 - 1984 | 485 | 1,855 | 2,498 |
| 1985 - 1989 | 292 | 2,897 | 4,639 |
| 1990 - 1994 | 492 | 2,372 | 4,923 |
| 1995 - 1997 | 264 | 1,683 | 6,332 |

Most of the decline in population in the City has been due to shrinking household size. By 1990, there was some evidence of loss of households. However, two-thirds of the population loss could still be attributed to smaller households. Both the HUD and Claritas projections show that Cincinnati is now losing households at nearly the same rate as it is losing population. In other words, no longer can the population losses be attributed to the changing demographics of the American family (e.g., fewer children, more single-parent households, more one-person households). Now a deteriorating housing stock and declining neighborhoods are driving population loss.

While white suburbanization in the 1950s and early 1960s was largely residential, suburbanization since 1975 has entailed the suburbanization of jobs as well as people. Analyses by the Ohio Housing Research Network have demonstrated that industrial, commercial and residential developments are now occurring in conjunction with one another. Further, as the following table illustrates, it is not just jobs that are moving out, it is also household wealth. Cincinnati is competing effectively against the inner suburbs of Hamilton County in terms of residential and commercial development and in minimizing industrial losses. But all of Hamilton County is losing housing and industry to the surrounding region.

| | Percentage Change: 1980-1990 | | Percentage Change in Property Tax Assessments: 1983-1997 | | |
|-------------------|------------------------------|------------------|--|------------|------------|
| | Households | Household Income | Residential | Commercial | Industrial |
| Cincinnati | -2.1 | 6.5 | 30.1 | 53.3 | -19.3 |
| Inner suburbs | 5.4 | 5.4 | 26.9 | 52.0 | -28.6 |
| Outer suburbs | 20.4 | 15.4 | 74.3 | 110.2 | -0.4 |
| Suburban counties | | | 81.6 | 78.5 | 41.8 |

All dollar amounts adjusted for inflation.

The Sierra Club has characterized Cincinnati as having some of the worst sprawl in the country. For example, the Cincinnati area lost 43 percent of its farmland between 1960 and 1997, the biggest loss in the state. Land area of the urbanized area increased from 242.3 square miles in 1960 to 511.7 square miles in 1990, an increase of 111 percent. During that same period, the number of households in the urbanized area increased 53 percent. The ratio of household growth to land area growth was 2.1, the worst in the state.

Housing development at the suburban fringe is less expensive than in the City, particularly when whole new tracts are developed on greenfields. In contrast,

development in the City can involve substantial work on the lot, including tearing out old foundations, removing abandoned structures, pulling up outmoded utility lines and even, sometimes, removing toxins. As a result, potential buyers in the suburbs can get far more house for the money than they can in the inner city. This is illustrated dramatically by the following analysis from the Ohio Housing Research Network, which examined where persons who sold their homes in Hamilton County bought their next homes (the study looked only at sellers who stayed in the region).

| | |
|---|----|
| % Of Central City Sellers Who Moved Outward | 90 |
| % Of Central City Sellers Who Moved out of City | 74 |
| % Of Central County Sellers Who Moved into an Adjacent County | 29 |

Economy and Labor Force

Cincinnati grew to be the sixth largest city in the country by 1880. As a 19th century industrial city, Cincinnati was known especially for household products and meatpacking. Unlike the great 20th century industrial cities – Chicago, Cleveland and Detroit, all of which exploded in population on the basis of the demand for new products such as steel and automobiles – Cincinnati by the turn of the century had a mature, diversified economy. Economic growth from 1900 to 1950 was modest but balanced. This diversification served it well when manufacturing in America went through a series of wrenching changes between 1972 and 1987. For example, in that period of time, the Cleveland MSA lost 24 percent of its manufacturing jobs while the Cincinnati MSA lost a mere 6 percent (NPA Data Services, 1995). Cincinnati was never part of the *Rust Belt*.

It is impossible to consider the City's economy separately from that of the region. In 1990, approximately one-third of the employed persons living in Cincinnati worked outside of the City and for every City resident that worked inside the City there was more than one resident from the balance of the MSA who also worked inside the City. The region has been fairly steadily generating new jobs. Among the major metropolitan areas in Ohio, only Columbus has consistently experienced higher increases in the number of new jobs since 1970. Since 1960, the Cincinnati region has increased in population, on average, about one-half a percent each year. George Vredevel, of the University of Cincinnati, has recently estimated that the job growth in region will increase at 1.6 percent a year over the next several years. This will have the effect of increasing the rate of population growth to an estimated 1.1 percent a year. Even with increased population growth, the booming economy should create an opportunity to increase labor force participation.

It is worth commenting that the Cincinnati economy is not simply producing low-wage service jobs. Professor Vredevel has also estimated that more of the new jobs (28 percent) will be classified as professional or technical jobs than as service (22 percent).

Cincinnati's economy is being noticed nationally. In 1996, *Fortune* magazine ranked Cincinnati 7th in country as a place to work and raise a family. *Entrepreneur* magazine ranked Cincinnati the 7th best large American city for small business development

Cincinnati's regional economy has many assets, including:

- A nationally renowned Children's Hospital and a number of fine liberal arts colleges and universities, in addition to the University of Cincinnati, a major research university with Carnegie Research I status.
- The headquarters of five Fortune 500 firms: American Financial Group, Chiquita Brands International, Cinergy Corporation, The Kroger Company, and The Procter & Gamble Company.
- A below average cost of living (94 percent of national average).
- A healthy central business district, including: a recently created theatre district which has markedly increased evening pedestrian traffic; a successful downtown entertainment district in the historic Over-the-Rhine neighborhood; and plans to tie the downtown area more closely to developing entertainment and recreational attractions on the riverfront.
- A diversified economy with strengths in transportation (including aircraft engines), food and consumer products, metalworking and industrial machinery, chemicals, fabricated metal products and printing and publishing.
- A major convention center.

As shown below, the region's employment base has increased 17 percent in just eight years. The growth has come primarily from the private sector, and clearly does not rest largely on low-paying jobs (the services sector includes, for example, health services, where wages are often above average).

| MSA Non-Agricultural Employment | 1990 | 1998 | % Change |
|--|-------------|-------------|-----------------|
| Total | 839,800 | 985,500 | +17.3 |
| Construction & Mining | 39,600 | 46,300 | +16.9 |
| Manufacturing | 169,400 | 164,400 | -3.0 |
| Transportation and Public Utilities | 44,500 | 52,100 | +17.1 |
| Communications, Electric, Gas Services | 16,600 | 15,500 | -6.6 |
| Wholesale Trade | 54,600 | 66,500 | +21.8 |
| Retail Trade | 158,800 | 186,500 | +17.4 |
| Finance, Insurance, Real Estate | 48,300 | 61,700 | +27.7 |
| Services | 213,000 | 285,900 | +34.2 |
| Government | 111,300 | 121,500 | +9.2 |
| Ohio Bureau of Employment Services | | | |

While Cincinnati's regional economy is healthy, and while the central city certainly shares in the benefits of a strong regional economy, the City is struggling to attract its fair share of regional developments and to connect its residents to the new jobs. The City faces two problems that it must address through its economic development programs.

- One problem is that industrial and commercial development is easier at the region's periphery than at its core. The City has to contend with state policies, for example, that subsidize the cost of moving jobs to new development sites in the suburbs on the grounds that these are "new jobs" when in fact they are simply jobs that move from one part of the metropolitan area to another. There are few sources of funds that can be used to *retain* jobs. As a second example, suburban developments are typically greenfields developments. In contrast, even after the City has acquired sites, in and of itself no small accomplishment, it then often faces the challenge of promoting development on "brownfields," with the attendant costs of rebuilding aging infrastructure, demolition, and dealing with environmental hazards.
- A second problem is that the City's potential workforce includes a disproportionate share of the region's less well-off members. The unemployment rate in the City decreased from 5.2 percent in 1997 to 4.8 percent in 1998. During the same period, the rate for Hamilton County as a whole dropped from 3.5 percent in 1997 to 3.3 percent in 1998. However, since the City workforce represents a little less than half of the county's, a conservative estimate is that the unemployment rate in the balance of the county is under 2 percent. The City's resident workforce is less educated than the suburban workforce and is qualified for less skilled jobs.

Thus, the City of Cincinnati cannot focus only on industrial and commercial development, nor can it focus only on workforce development. The challenge is to create jobs that City residents can fill.

One approach to doing this involves small business development. *The Hamilton County Overall Economic Development Plan* concluded that 93 percent of all new jobs in the county resulted from the creation of small businesses. As shown below, most minority and women-owned firms are in the service sector. For minorities, that is also an area in which firm creation between 1987 and 1992 was very strong, whereas for women, growth was strong in a number of sectors. For both women and minorities, the City of Cincinnati has shown a rate of growth that lags behind the rate for the region as a whole.

| | Minority Enterprises | | | Women Enterprises | | |
|-------------------------|----------------------|-------|-------------|-------------------|--------|-------------|
| | 1987 | 1992 | % Change | 1987 | 1992 | % Change |
| Service | 1,386 | 2,359 | 70.2 | 11,714 | 17,775 | 51.7 |
| Manufacturing | 14 | 24 | 71.4 | 412 | 583 | 41.5 |
| Retail | 449 | 448 | -0.2 | 3,667 | 5,633 | 53.6 |
| Finance | 216 | 320 | 48.1 | 2,445 | 3,390 | 38.7 |
| Wholesale | 32 | 64 | 100.0 | 391 | 770 | 96.9 |
| Transportation | 157 | 150 | -4.5 | 433 | 859 | 98.4 |
| Construction | 264 | 298 | 12.9 | 444 | 1,132 | 155.0 |
| Agriculture | 39 | 36 | -7.7 | 228 | 460 | 101.8 |
| Other | 168 | 229 | 36.3 | 1,072 | 1,798 | 67.7 |
| Total for MSA | 2,725 | 3,928 | 44.1 | 20,806 | 32,396 | 55.7 |
| Total for County | 2,597 | 3,709 | 42.8 | 13,390 | 19,543 | 46.0 |
| Total for City | 1,753 | 2,432 | 38.7 | 4,956 | 7,451 | 50.3 |

1987 and 1992 Economic Censuses, U.S. Department of Commerce

In 1990, residents of Cincinnati constituted approximately 19 percent of the workforce of the Consolidated Metropolitan Statistical Area (CMSA). While the City is the home to a large proportion of the area's professional workforce, as a consequence in part of the University of Cincinnati, City residents represent a disproportionately large share of workers in service occupations and a disproportionately small share of workers involved in well-paying occupations involving precision production or machinery operating.

| Occupation, 1990 | CMSA | City | City Share |
|--------------------------------------|---------|--------|------------|
| Executives, Administrators, Managers | 107,837 | 18,608 | 17.3 |
| Professionals | 119,418 | 27,925 | 23.4 |
| Technicians | 33,067 | 6,835 | 20.7 |
| Sales | 100,525 | 16,644 | 16.6 |
| Administrative Support | 143,988 | 28,071 | 19.5 |
| Private Household Service | 2,415 | 908 | 37.6 |
| Protective Services | 11,137 | 2,417 | 21.7 |
| Other Service | 90,723 | 23,071 | 25.4 |
| Farming, Forestry and Fishing | 8,201 | 1,123 | 13.7 |
| Precision Production | 88,845 | 12,447 | 14.0 |
| Machine Operators | 56,696 | 9,844 | 17.4 |
| Transportation | 31,951 | 4,758 | 14.9 |
| Laborers | 33,530 | 6,230 | 18.6 |

U.S. Census

The following organizations play a key role in the City's plans to develop and retain jobs and to develop the workforce.

- The City of Cincinnati Employment and Training Division (ETD) serves youths and adults with workforce development programs. Job seekers and businesses benefit from services related to assessment, preparatory education, occupational skill training, direct job placement and work experience.

- The City of Cincinnati Department of Economic Development is concerned with the downtown area and with the City's neighborhoods. The Department fosters positive community relationships, encourages business growth and job retention, creates new employment opportunities and facilitates property development. The department operates a small business loan fund, a loan fund for microenterprise development, and a Small Business Administration 504 Loan program.
- The Greater Cincinnati Chamber of Commerce has nearly 7,000 member businesses in an eight-county area. Affiliated with the Chamber is the Greater Cincinnati African American Chamber of Commerce.
- The Hamilton County Development Company (HCDC) is a private, not-for-profit corporation that promotes economic development. HCDC offers an array of economic development programs. They include small business loans through the SBA 504, State of Ohio 166, and Microloan programs as well as entrepreneurial assistance through a Small Business Development Center and the Hamilton County Office of Economic Development.
- The Cincinnati Business Incubator (CBI) is designed to help entrepreneurs grow new businesses. Companies receive technical assistance and financing from the Microloan Program.

Race

As shown in the next table, the African American population in the metropolitan area increased rapidly from 1950 into the early 1960s in conjunction with the great northward migration of blacks out of the American rural south. During that period of time, the number of African Americans increased nearly 3 percent a year.

After the Second World War, the larger African American population burst the seams of the West End community where it had previously been confined by restrictive real estate practices. The City made several dramatic attempts at urban renewal, including the bulldozing of large sections of the West End. African American residents of the City had to move, first into Walnut Hills, Evanston, and Avondale and since then more slowly into the City's western communities. Since 1960, the increase in the size of the African American population has been a more modest 1.3 percent a year. The table also shows that while the proportion of Cincinnati's population that is African American has increased since then, the rate of increase has slowed. African Americans are beginning to suburbanize following the same routes as white suburbanization 40 years earlier, up I-75 and I-71.

| | 1950 | 1960 | 1970 | 1980 | 1990 |
|-------------------------------------|-----------|-----------|-----------|-----------|-----------|
| City of Cincinnati | | | | | |
| Population | 503,998 | 502,550 | 452,524 | 385,457 | 364,040 |
| African Americans | 78,196 | 108,754 | 125,070 | 130,490 | 138,132 |
| % African American | 15.5 | 21.6 | 27.6 | 33.9 | 37.9 |
| Balance of Hamilton County | | | | | |
| Population | 219,954 | 361,571 | 471,494 | 487,767 | 502,188 |
| African Americans | 11,887 | 14,683 | 20,224 | 35,501 | 43,013 |
| % African American | 5.4 | 4.1 | 4.3 | 7.3 | 8.6 |
| Hamilton County Total | | | | | |
| Population | 723,952 | 864,121 | 924,018 | 873,224 | 866,228 |
| African Americans | 90,083 | 123,437 | 145,294 | 165,991 | 181,145 |
| % African American | 12.4% | 14.3% | 15.7% | 19.0% | 20.9% |
| Balance of Metropolitan Area | | | | | |
| Population | 349,125 | 457,034 | 515,839 | 594,440 | 659,864 |
| African Americans | 7,850 | 7,814 | 7,829 | 8,016 | 9,938 |
| % African American | 2.2 | 1.7 | 1.5 | 1.3 | 1.5 |
| Metropolitan Area | | | | | |
| Population | 1,073,077 | 1,321,155 | 1,439,857 | 1,467,664 | 1,526,092 |
| African Americans | 97,933 | 131,251 | 153,123 | 174,007 | 191,083 |
| % African American | 9.1 | 9.9 | 10.6 | 11.9 | 12.5 |

As shown below, today only a little more than half of the African Americans in Cincinnati live in neighborhoods that are more than 50 percent black. However, progress has been frustratingly slow and large portions of the metropolitan area continue to be perceived as areas that do not welcome new black residents. As a result, the metropolitan area as a whole remains one of the most segregated areas in the country.

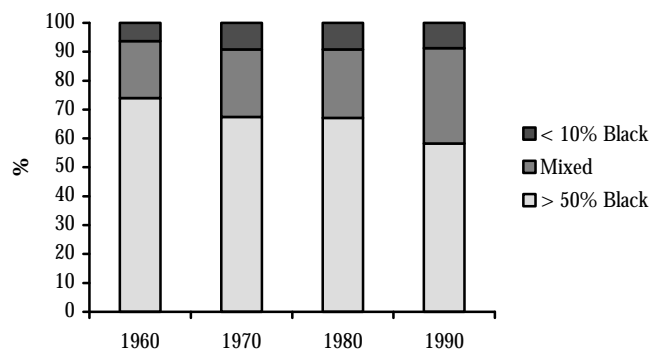


Figure 1: Between 1960 and 1990, the proportion of African Americans living in census tracts that were at least 50 percent black declined from 75 percent to 58 percent.

Even within Hamilton County, segregation persists at high levels. Taueber's index for the county as a whole fell from 87 to 75 in the twenty years from 1970 to 1990, meaning that 12 percent of the African Americans who would have to move in order to result in complete integration did move, and into the right kinds of neighborhoods. Clearly, much remains to be accomplished.

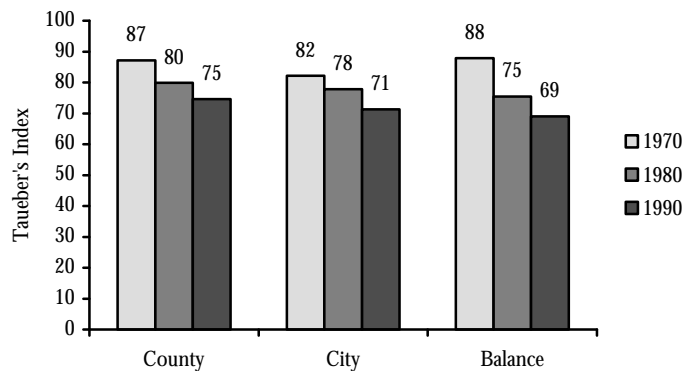


Figure 2: The degree of segregation in the City of Cincinnati is declining, but remains high.

Areas of Concentration

The following table and Map 2 show the neighborhoods in Cincinnati with a concentration of African Americans, defined as a percentage of African Americans that is at least 5 percentage points higher than the City as a whole. Not only have neighborhoods with high concentrations of black residents stayed concentrated over the 10 years, some neighborhoods that had more moderate concentrations in 1980, experienced sharp increases from 1980 to 1990.

| | 1980 | | | 1990 | | | % Diff |
|----------------------------|--------|--------|------|--------|--------|------|--------|
| | Total | Black | % | Total | Black | % | |
| S. Cumminsville-Millvale | 4,908 | 4,527 | 92.2 | 4,367 | 4,112 | 94.2 | 1.9 |
| Fay Apartments | 3,159 | 2,881 | 91.2 | 2,954 | 2,780 | 94.1 | 2.9 |
| West End | 12,886 | 12,215 | 94.8 | 11,370 | 10,626 | 93.5 | -1.3 |
| Avondale | 19,845 | 18,324 | 92.3 | 18,736 | 17,196 | 91.8 | -0.6 |
| Evanston | 9,689 | 8,945 | 92.3 | 8,386 | 7,608 | 90.7 | -1.6 |
| Winton Hills | 7,711 | 6,846 | 88.8 | 6,747 | 5,951 | 88.2 | -0.6 |
| Walnut Hills | 9,907 | 8,957 | 90.4 | 8,917 | 7,816 | 87.7 | -2.8 |
| Bond Hill | 11,408 | 7,941 | 69.6 | 10,822 | 9,410 | 87.0 | 17.3 |
| Kennedy Heights | 6,591 | 4,973 | 75.5 | 6,054 | 4,607 | 76.1 | 0.6 |
| Mt. Auburn | 8,889 | 6,455 | 72.6 | 7,542 | 5,568 | 73.8 | 1.2 |
| N. Fairmount-English Woods | 5,889 | 3,585 | 60.9 | 5,334 | 3,897 | 73.1 | 12.2 |
| Over-the-Rhine | 11,914 | 7,449 | 62.5 | 9,572 | 6,835 | 71.4 | 8.9 |
| Evanston-East Walnut Hills | 2,241 | 1,517 | 67.7 | 2,070 | 1,293 | 62.5 | -5.2 |
| Madisonville | 13,157 | 7,419 | 56.4 | 12,216 | 7,284 | 59.6 | 3.2 |
| N. Avondale-Paddock Hills | 6,762 | 3,587 | 53.0 | 6,461 | 3,577 | 55.4 | 2.3 |
| Roselawn | 7,379 | 1,759 | 23.8 | 7,218 | 3,989 | 55.3 | 31.4 |
| Corryville | 4,539 | 2,365 | 52.1 | 4,439 | 2,238 | 50.4 | -1.7 |

MAP 2

The Empowerment Zone as a whole represents a concentration of African Americans (74.8 percent in 1990, compared to 37.9 percent for the City as a whole).

Map 2 also shows that Cincinnati has no areas of concentration of American Indians (0.1 percent of the 1990 population) or Hispanics (0.9 percent of the 1990 population). There is one area of concentration of Asians and Pacific Islanders, but it is in a University of Cincinnati community, and exists primarily as a function of the draw of international students to that school. With no other census-defined race is there any problem of concentration that even remotely approaches the problem of the concentration of the African American population. However, two caveats must be added:

- Anecdotal evidence suggests that Cincinnati might be experiencing an influx of Hispanic persons. The HUD projections, which are based on the continuation of past trends, may be understating the size of Cincinnati's Hispanic population from 1997 out.
- There exists a large population of Appalachians in Cincinnati, and this population is largely though not entirely white. This is important because poor first and second-generation immigrants to Cincinnati from Appalachia (of which Hamilton County is not a part) are concentrated in neighborhoods such as Lower Price Hill.

Schools

The Cincinnati Public School district (CPS) is one of the largest school districts in the state of Ohio.² It is not coextensive with the City of Cincinnati, but the entire City is included and only small portions of the county outside of the City are. The current estimated student enrollment is 47,000. There has been a steady decline in the student population of Cincinnati Public Schools and increasing racial and socio-economic isolation. Seventy percent of students are now African American. Fifteen years ago, during the 1983-84 school year, the racial breakdown of student body was 57 percent African-American and 42 percent white. Two-thirds of the students attending CPS are eligible for reduced or free lunch under state guidelines for low-income families.

The district has had difficulty passing tax levies. There is a perception that the district has failed in its charge to educate the youth of the community. Perhaps more importantly, less than 30 percent of the City's households include children, and some of those children attend private or parochial schools. Voters may feel little compelling

² Ms. Esther Erkins, of the UC College of Education, who is studying the Cincinnati Public Schools for her dissertation, prepared this section of the document.

need to vote for a levy that will increase property taxes and not result in personal benefit.

Like the population of the City, enrollment in CPS has been on the decline since the 1960s. The decline over the last 25 years has been striking, as the district has lost approximately 37,000 students. In 1970, the enrollment in CPS was 84,229, including 46,278 white students and 37,951 black students. By 1980, the district had lost over 30,000 students. The decline was most dramatic for white students, half of whom left the system in ten years. By 1980, the white population was 22,885 and the black population was 30,748.

The district has struggled with academic achievement. The Ohio Proficiency Test is used as the indicator of levels of academic achievement. The district has suffered from a low pass rate on all sections of the test. The test is administered at the end of grades 4, 6, 9, and 12. The district has consistently experienced average passage rates below 50 percent in each of the categories of math, science and reading.

CPS has a dropout rate for grades 7 -12 of approximately 9 percent, down from 12 percent in 1996-1998.

Like other large urban districts, CPS is confronted with an aging infrastructure. The district has 79 buildings that are, on average, 49 years old. Buildings 80 years old remain in use. The district has operating schools that are unable to pass inspection. CPS does not have the resources necessary to renovate its infrastructure. It would take an estimated \$500 to \$700 million dollars to repair, renovate and rebuild its aging facilities.

To address the problem of aging infrastructure, CPS entered into an agreement with the City of Cincinnati that would generate funding for capital improvements. In 1995, a referendum was proposed by Hamilton County to generate revenue for two new sports stadiums. This revenue would be raised through an increase in the sales tax of one half percent. In an effort to gain more support in the City of Cincinnati, Cincinnati City council promised \$100 million dollars from City of Cincinnati sources to go towards making capital improvements in CPS. This \$100 million dollars is payable over 20 years at a rate of \$5 million dollars per year out of the City's General Fund operating budget. Since the levy was passed, the City decided to help the schools issue bonds for capital improvements.

The desegregation of CPS took place under what is known as the Bronson Settlement Plan. The plan was the final result of ten years (1974-1984) of legal wrangling between the NAACP and the CPS board. The suit was settled in June 1984 after the parties agreed to a consent decree. In the agreement, a broad strategy was laid out that included expanding the number of magnet schools and offering special educational programming in the eight lowest achieving schools. Despite plans, the district has not substantially improved performance in the eight target schools.

The magnet schools were more successful. There are 30 magnet programs currently operating at 13 sites. However, some community residents complain that the magnet schools receive a disproportionate share of resources. Magnet schools are also believed to be a place primarily for the education of middle-class white students. This has led to the charge that the district is actually a dual school system with the neighborhood schools serving poor and minority students and the magnet schools existing to retain white middle-class families.

In the spring of 1999, the federal court reopened the case on the basis that the district did not honor the commitments made in the consent decree.

Household Demographics

Cincinnati's population includes a substantial number of people who live in group quarters, as shown below. In 1990, this total included 8,700 people in nursing homes, 5,000 in college dormitories and 1,800 in correctional facilities.

| | 1980 | 1990 |
|----------------------|-------------|-------------|
| Group Quarters | 14,281 | 14,778 |
| Institutional | 6,609 | 7,703 |
| Non-Institutional | 7,672 | 7,075 |
| Household Population | 371,176 | 349,262 |

One of the most striking features of the City housing market is that 39.5 percent of the households are one-person households, a much greater proportion than in the region as a whole. Further, there were nearly as many female-headed or male-headed households with children in 1990 (20,074) as there were married-couple households with children (22,440).

| | | 1980 | 1990 | % Change |
|------------------------------|---|-------------|-------------|-----------------|
| Total Households | | 157,677 | 154,342 | -2.1 |
| One-person Households | N | 58,667 | 60,991 | 4.0 |
| | % | 37.2 | 39.5 | |
| Family Households | N | 90,644 | 82,699 | -8.8 |
| | % | 57.5 | 53.6 | |
| Married Couple Family | N | 62,182 | 49,746 | -20.0 |
| | % | 39.4 | 32.2 | |
| Other Family | N | 28,462 | 32,953 | 15.8 |
| | % | 18.1 | 21.4 | |
| Other Non-Family (2+ People) | N | 8,366 | 10,652 | 27.3 |
| | % | 5.3 | 6.9 | |

The elderly represent an increasing proportion of the City's population. This represents a combination of multiple trends. The population as a whole, of course, is aging, as the baby boomers grow older. In addition, it appears that Cincinnati has less cachet as the residential market for young people than it used to. Finally, it is probably the case that older persons who are owners and whose children are grown experience few of the push factors that lead people to consider the suburban market.

| | | 1980 | 1990 | % Change |
|---------------------|---|-------------|-------------|-----------------|
| Population Under 62 | N | 343,350 | 304,282 | -11.4 |
| | % | 89.1 | 83.6 | |
| Population Over 62 | N | 42,107 | 59,758 | 41.9 |
| | % | 10.9 | 16.4 | |

This latter point is illustrated below. The City has a disproportionate share of the owner market where the head of household is 65 or older and a disproportionate share of owners who have been in the same unit for a long time.

| | MSA | Hamilton County | City of Cincinnati | City as % of County | City as % of MSA |
|---|------------|----------------------------|-------------------------------|--------------------------------|-----------------------------|
| Tenancy by Age of Head | | | | | |
| Owner-Occupied | 345,948 | 197,551 | 59,172 | 30.0 | 17.1 |
| Head Under 65 Years | 268,112 | 148,347 | 41,426 | 27.9 | 15.5 |
| Head 65 Years or More | 77,836 | 49,204 | 17,746 | 36.1 | 22.8 |
| Renter Occupied | 202,437 | 141,330 | 95,170 | 67.3 | 47.0 |
| Head Under 65 Years | 166,917 | 115,537 | 78,239 | 67.7 | 46.9 |
| Head 65 Years or More | 35,520 | 25,793 | 16,931 | 65.6 | 47.7 |
| Year Householder Moved In | | | | | |
| Owner-Occupied Units | 345,953 | 197,556 | 59,169 | 30.0 | 17.1 |
| Since 1985 | 119,114 | 62,858 | 17,684 | 28.1 | 14.8 |
| 1980 to 1984 | 46,646 | 25,699 | 7,377 | 28.7 | 15.8 |
| 1970 to 1979 | 82,257 | 46,803 | 13,671 | 29.2 | 16.6 |
| Before 1970 | 97,936 | 62,196 | 20,437 | 32.9 | 20.9 |
| Renter-Occupied Units | 202,432 | 141,325 | 95,173 | 67.3 | 47.0 |
| Since 1985 | 153,164 | 104,205 | 68,859 | 66.1 | 45.0 |
| 1980 to 1984 | 25,566 | 18,826 | 13,225 | 70.2 | 51.7 |
| 1970 to 1979 | 16,577 | 12,854 | 9,085 | 70.7 | 54.8 |
| Before 1970 | 7,125 | 5,440 | 4,004 | 73.6 | 56.2 |
| Place of Residence 5 Years Earlier | | | | | |
| Same house | 732,305 | 440,040 | 163,828 | 37.2 | 22.4 |
| Same county | 377,148 | 250,821 | 121,254 | 48.3 | 32.2 |
| Inside City Limits | 171,985 | 157,702 | 102,807 | 65.2 | 59.8 |
| Outside of City Limits | 205,163 | 93,119 | 18,447 | 19.8 | 9.0 |
| Same MSA | 71,888 | 17,324 | 6,109 | 35.3 | 8.5 |
| Outside of MSA | 157,175 | 107,757 | 42,303 | 39.3 | 26.9 |

Income and Poverty

The 1990 Census revealed that there were 112,575 persons in Hamilton County living below the poverty line in 1989, or 13.3 percent of the persons for whom poverty status is determined. By 1995, the Census Bureau estimated that that number had fallen to 100,358. The economic boom of the past four years has led to record low unemployment rates for African Americans nationwide and to record levels of people working nationwide. It is not unreasonable to assume that the number of persons in Hamilton County living below poverty has fallen by another 10,000 people since 1995. However, there is no reason to believe that the geographic concentration or racial concentration of poverty has improved since 1990, so 1990 Census data are used in the following material.

The poverty rate in the City of Cincinnati is 24.3 percent. As shown in Map 3, there are 13 Cincinnati neighborhoods with poverty rates above 35 percent (out of 47 neighborhoods, setting aside the non-residential area known as Queensgate). The rate in the Empowerment Zone is 46.8 percent. Unemployment is similarly concentrated; there are 13 Cincinnati neighborhoods with unemployment rates higher than 13 percent in 1990. (Detailed profiles of all Cincinnati neighborhoods are available in Attachment I of the Plan.)

| | MSA | Hamilton County | City of Cincinnati | City as % of County | City as % of MSA |
|-------------------------|-----------|--------------------|-----------------------|------------------------|---------------------|
| Poverty Status | | | | | |
| Persons Below Poverty | 162,771 | 112,575 | 85,319 | 75.8 | 52.4 |
| Persons Above Poverty | 1,259,790 | 734,334 | 265,276 | 36.1 | 21.1 |
| Household Income | | | | | |
| Under \$10,000 | 84,106 | 58,196 | 41,767 | 71.8 | 49.7 |
| \$10,000 to \$19,999 | 91,986 | 58,594 | 32,326 | 55.2 | 35.1 |
| \$20,000 to \$29,999 | 91,282 | 54,884 | 26,026 | 47.4 | 28.5 |
| \$30,000 to \$39,999 | 82,638 | 48,328 | 19,203 | 39.7 | 23.2 |
| \$40,000 to \$49,999 | 65,017 | 37,301 | 13,090 | 35.1 | 20.1 |
| \$50,000 to \$59,999 | 44,381 | 25,269 | 7,300 | 28.9 | 16.4 |
| \$60,000 to \$99,999 | 66,845 | 40,149 | 10,496 | 26.1 | 15.7 |
| \$100,000 or More | 21,883 | 15,984 | 4,035 | 25.2 | 18.4 |
| Median Income | \$30,691 | \$29,498 | \$21,006 | 71.2 | 68.4 |

Claritas estimates that median household income for the balance of Hamilton County has increased 39.8 percent in the past eight years, from \$37,099 to \$51,847. The Consumer Price Index (CPI) increased 31.5 percent from 1989 (the basis year for Census income data) to 1998. Thus, median income in the suburbs of Hamilton County increased 8.3 percent in real terms. In contrast, median income in the City has increased only 29.0 percent, from \$21,006 to \$27,089, which in real terms represents a 2.5 percent decrease in income.

MAP 3

Thus, not only is there no reason to assume poverty has become less concentrated, but there is good reason to argue that the concentration is worsening. Even within the City proper, the long-term trend is toward greater income disparity. The ratio of the 90th percentile of family income to the 10th percentile of family income has increased from 8.0 in 1969 to 8.9 in 1979 to 13.9 in 1989.

Welfare reform has arrived. The agency charged with responsibility for the TANF program (Temporary Assistance for Needy Children) is the Hamilton County Department of Human Services. In September 1989, there were 21,242 assistance groups in the county receiving Aid for Dependent Children (ADC). Those household units included 55,625 people.

The federal welfare reform law, the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, resulted in several major changes to the nation's system of public assistance.

- The ADC program was replaced with the TANF program.
- Lifetime eligibility for TANF was limited to five years from enactment, although states were permitted to set stricter limits on eligibility. Beginning October 1997, Ohio participants can receive TANF for a maximum of 36 months, not necessarily consecutive.

In any given month, approximately 80,000 people are clients of the Hamilton County Department of Human Services, or between 9 and 10 percent of the county (the Census Bureau estimates Hamilton County's current population to be 847,000 people). Nearly all of these clients, more than 90 percent, received Medicaid, health insurance for low-income persons.

Next to Medicaid, food stamps are the most frequently used form of assistance. The number of persons receiving food stamps has declined from 58,782 in May 1998 to 52,131 in April 1999. A recent report from the General Accounting Office³ reveals that only about half of former TANF recipients continue to receive food stamps. Thus, the local decline in the use of food stamps is consistent with national trends that show that decreases in the TANF caseload result in decreases in the use of food stamps even though people might continue to be eligible for food stamps.

The number of persons receiving TANF fell 19 percent, from 26,405 to 21,259 between May 1998 and April 1999. Most people who receive TANF also receive Medicaid and food stamps. The decline in the number of people receiving cash

³ United States General Accounting Office, "Welfare Reform: Information on Former Recipients' Status." GAO/HEHS-99-48, April 1999.

assistance over a longer period has been dramatic, from 55,625 persons in 1989 to 21,259 persons in 1999, a decline of 61.8 percent.

In April 1999, more than half of all TANF recipients in Hamilton County were concentrated in just eight zip codes, and more than one-fourth lived in just three zip codes: 45225 (Fairmount, including Millvale), 45210 (Over-the-Rhine) and the West End (45214). Two of these three areas include major concentrations of public housing and the third, Over-the-Rhine, has long represented a concentration of poverty and blight.

Eighty percent of TANF recipients in Hamilton County in April 1999 were African American, and it appears that white TANF recipients have been leaving the rolls faster than black recipients.

Housing Stock

Cincinnati represents 46.8 percent of the county's total housing stock, including only 30.0 percent of the housing that is owner-occupied and 67.3 percent of the housing that is renter occupied. There were 14,746 vacant housing units at the time of the 1990 census. Only 8.0 percent of these vacant units were in boarded-up structures. There was a reasonably small differential between the MSA vacancy rates and the City vacancy rates. The MSA rental vacancy rate was 8.3 percent whereas the City's rate was 9.2 percent. On the owner side, the MSA vacancy rate was 1.3 percent whereas the City's rate was 2.1 percent.

| | MSA | Hamilton County | City of Cincinnati | City as % of County | City as % of MSA |
|----------------------|---------|--------------------|-----------------------|------------------------|---------------------|
| Total Housing Units | 582,376 | 361,421 | 169,088 | 46.8 | 29.0 |
| Occupied Units | 548,385 | 338,881 | 154,342 | 45.5 | 28.1 |
| Owner-Occupied | 345,948 | 197,551 | 59,172 | 30.0 | 17.1 |
| Renter-Occupied | 202,437 | 141,330 | 95,170 | 67.3 | 47.0 |
| Vacant Housing Units | 33,991 | 22,540 | 14,746 | 65.4 | 43.4 |
| Vacant for Rent | 16,784 | 11,962 | 8,759 | 73.2 | 52.2 |
| Vacant for Sale | 4,597 | 2,717 | 1,241 | 45.7 | 27.0 |
| Boarded Up | 1,724 | 1,278 | 1,180 | 92.3 | 68.4 |

There are striking differences among the neighborhoods of Cincinnati in the number of vacant units that are off the market. Map 4 shows that the 229 structures that are currently condemned are highly concentrated in the Empowerment Zone. (Note that the Census counts *units* whereas the City keeps track of *structures*.) There are currently 629 abandoned structures that the City had decided are worth keeping, and while these are also concentrated in the EZ, they are somewhat more dispersed.

MAP 4

The City has a huge proportion of the county's and the area's multi-unit housing stock. One point to make about the following table is that only a small proportion of owners are willing to live in multi-unit structures, such as the classic duplex arrangement in which the owner occupies one unit and rents the other. Thus, a barrier to increased home ownership in the City is the preponderance of structures that have multiple units. A second point to make is that there is some potential to convert renters to owners while remaining in place, but this potential is limited. There are about 8,600 duplex structures (each with two units) and 6,000 of them are currently owner-occupied. There are over 9,000 renters in single unit structures, and while it is tempting to think that they might all be converted to owners, there are two counter-arguments. First, investors find these properties valuable and might have little incentive to sell. Second, there have been approximately 9,000 rented single-unit structures in Cincinnati since at least 1950, so there is apparently market demand for this arrangement.

| Units in Structure | MSA | Hamilton County | City of Cincinnati | City as % of County | City as % of MSA |
|------------------------------|---------|-----------------|--------------------|---------------------|------------------|
| Owner-Occupied Units | 345,948 | 197,551 | 59,172 | 30.0 | 17.1 |
| 1 Unit - Detached | 303,207 | 174,516 | 48,057 | 27.5 | 15.8 |
| 1 Unit - Attached | 9,556 | 5,395 | 1,508 | 28.0 | 15.8 |
| 2 Units | 11,094 | 8,550 | 5,971 | 69.8 | 53.8 |
| 3 - 4 Units | 3,211 | 2,552 | 1,791 | 70.2 | 55.8 |
| 5 - 9 Units | 1,027 | 701 | 317 | 45.2 | 30.9 |
| 10 or More Units | 2,828 | 2,135 | 1,083 | 50.7 | 38.3 |
| Mobile Home | 13,393 | 2,837 | 68 | 2.4 | 0.5 |
| Other | 1,632 | 865 | 377 | 43.6 | 23.1 |
| Renter-Occupied Units | 202,437 | 141,330 | 95,170 | 67.3 | 47.0 |
| 1 Unit - Detached | 29,054 | 15,045 | 6,416 | 42.6 | 22.1 |
| 1 Unit - Attached | 6,961 | 4,875 | 2,883 | 59.1 | 41.4 |
| 2 Units | 23,175 | 15,773 | 11,224 | 71.2 | 48.4 |
| 3 - 4 Units | 33,060 | 26,234 | 18,581 | 70.8 | 56.2 |
| 5 - 9 Units | 31,910 | 22,832 | 16,039 | 70.2 | 50.3 |
| 10 or More Units | 73,010 | 54,253 | 38,814 | 71.5 | 53.2 |
| Mobile Home | 2,582 | 413 | 23 | 5.6 | 0.9 |
| Other | 2,685 | 1,905 | 1,190 | 62.5 | 44.3 |

Cincinnatians are not overly fond of condominiums.

| Condominiums | MSA | Hamilton County | City of Cincinnati | City as % of County | City as % of MSA |
|-----------------|--------|-----------------|--------------------|---------------------|------------------|
| Owner-Occupied | 11,254 | 6,768 | 1,764 | 26.1 | 15.7 |
| Renter-Occupied | 4,726 | 3,000 | 1,291 | 43.0 | 27.3 |

Census data on year of construction are problematic, being based on current resident guesses. However, the unavoidable conclusion from the following table is that Cincinnati's housing stock is aging. Based on the Census, the City captured less than

nine percent of the new construction in the region from 1980 to 1990. Analyses of building permits suggest even this number is inflated. Every ten years, the median age of Cincinnati's structures increases nearly by that amount (meaning there is little turnover in the stock). And while there is no necessary correlation between age and quality, the majority of Cincinnati's owners and building superintendents do not have access to the private investment dollars that are necessary to periodically update systems and effect major repairs. In those Cincinnati neighborhoods where these dollars are available, Hyde Park and Clifton to name just two, property appreciation is extremely favorable. Some badly deteriorated neighborhoods include many structures with extraordinary renovation potential (Over-the-Rhine is often cited as an example, although Northside is a better example of a neighborhood where this has already happened). However, other run-down neighborhoods are full of wood-framed, shingle-sided houses built for the working class before 1930. These structures have far less renovation potential, and in only one neighborhood have they been updated successfully in large numbers (Mt. Adams).

| Year Structure Built | MSA | Hamilton County | City of Cincinnati | City as % of County | City as % of MSA |
|-----------------------------|------------|------------------------|---------------------------|----------------------------|-------------------------|
| Owner-Occupied Units | 345,953 | 197,556 | 59,169 | 30.0 | 17.1 |
| Since 1980 | 51,945 | 20,071 | 1,435 | 7.1 | 2.8 |
| 1970 to 1979 | 55,278 | 22,838 | 1,614 | 7.1 | 2.9 |
| 1960 to 1969 | 57,073 | 35,165 | 4,733 | 13.5 | 8.3 |
| 1950 to 1959 | 66,662 | 41,886 | 8,472 | 20.2 | 12.7 |
| 1940 to 1949 | 34,235 | 24,042 | 9,816 | 40.8 | 28.7 |
| Before 1940 | 80,760 | 53,554 | 33,099 | 61.8 | 41.0 |
| Renter-Occupied Units | 202,432 | 141,325 | 95,173 | 67.3 | 47.0 |
| Since 1980 | 26,476 | 13,064 | 5,617 | 43.0 | 21.2 |
| 1970 to 1979 | 41,827 | 26,268 | 14,317 | 54.5 | 34.2 |
| 1960 to 1969 | 35,482 | 27,291 | 18,675 | 68.4 | 52.6 |
| 1950 to 1959 | 25,513 | 19,777 | 13,216 | 66.8 | 51.8 |
| 1940 to 1949 | 19,309 | 15,217 | 10,858 | 71.4 | 56.2 |
| Before 1940 | 53,825 | 39,708 | 32,490 | 81.8 | 60.4 |

The analysis of building permits shows the City's share of single-family permits has been only 2.6 percent to 5.2 percent of the MSA total between 1990 and 1994. However, beginning in 1992, there is some evidence that proportionately more single-family units are being built than larger units. The City had an average of only 492 new units of housing built each year between 1990 and 1994. Based on the analysis of permits, rather than Census data, construction in the City may be slightly higher than during the 1980s.

Lead-Based Paint Hazard Reduction

Cincinnati has good cause to be concerned about the problem of lead poisoning. Forty-two percent of its housing stock was built prior to 1940 and 85 percent was built prior to 1970. The Cincinnati Health Department (CHD) Lead Poisoning Prevention Program was started to provide community education on health problems associated with lead poisoning, to conduct mass screenings of children to identify those with

elevated blood lead levels, to arrange appropriate medical treatment for identified children, and to monitor those children through their preschool years. In 1976, the CHD issued a regulation prohibiting the sale and use of lead-based paint for surfaces accessible to children, thus allowing it to enforce modifications to housing units to reduce the lead-based paint hazards in the community. In 1998, the CHD provided assistance to 883 Cincinnati children newly identified as having elevated blood lead levels. Through a state contract, the program now serves as a resource to 20 counties.

The University of Cincinnati was an early leader in environmental health. The first research on lead at UC was conducted in 1924 in response to a public health crisis involving tetraethyl lead. The senior staff of the UC Institute for Environmental Health has 32 years of experience in lead research including conducting four lead exposure studies at former lead mining, milling, and smelting sites; a 17-year longitudinal study of lead exposure and child development in Cincinnati's urban environment; a three-year Soil Lead Abatement Demonstration Project and a two-year study of the sources of lead in household dust, both funded by EPA. The Institute developed the model curriculum for the EPA-approved course for lead abatement supervisors and contractors, which is taught nationwide.

Cincinnati has funded efforts to reduce the hazards associated with lead poisoning of children. Since 1993, program funds have been used to assist families to vacate buildings due to badly deteriorated lead-based paint.

The City was awarded \$6 million in the 1993 HUD Lead-Based Paint Abatement program. With these funds, the City designed the Cincinnati Abatement Project (CAP) to test the effectiveness of a variety of hazard reduction methodologies on 280 housing units. The CAP is administered by the CHD with major program activities managed by the Department of Neighborhood Services and UC.

The Environmental Advisory Council comprises citizens and professionals appointed by the City Manager. For over 25 years, the Council has worked with the City's Office of Environmental Management on the problem of deteriorated lead-based paint. In 1999, the Council recommended that more vacuuming of sidewalks and streets in high-risk areas be done; that dust control rules during building rehabilitation be more actively enforced; and that new regulations be adopted that would allow more direct action to be taken to prevent lead poisoning rather than waiting until a child has been diagnosed with lead poisoning.

The Department of Neighborhood Services applied for a \$2.8 million grant from HUD under the 1999 Lead-Based Paint Hazard Control Program. If awarded, the new grant would create the Lead Control Project (LCP) within the City's Empowerment Zone, providing lead hazard control activities to 125 rental units in buildings with 3 to 25 units. The program would provide housing to low-income families in buildings that are expensive to rid of lead hazards.

Eighty-five percent of Cincinnati's housing stock was built before 1970 (about 131,000 units). Key informants suggested that the entire stock of this older housing has lead-paint. A special tabulation of 1990 Census data prepared by HUD for the Comprehensive Housing Affordability Strategy (CHAS) planning process showed that Cincinnati has the following numbers of households in various income ranges of interest.

| Household Income as a % of MSA Median Family Income, Adjusted for Family Size | Rental Households | Owner Households |
|--|------------------------------|-----------------------------|
| 0 to 30% | 28,302 | 5,189 |
| 31 to 50% | 15,069 | 5,648 |
| 51 to 80% | 20,877 | 10,159 |

Based on the above table, and given the assumption that age of housing unit is independent of income, it may be conservatively estimated that 54,511 rental households (64,248 X 0.85) and 19,472 owner households live in units with lead-paint hazards. The upper limit on the numbers of such households, assuming that age of housing stock is correlated with income, is 64,248 renters and 20,996 owners. In the absence of definitive data, taking the average of these lows and highs results in an estimate that 79,614 Cincinnati low-income households live in structures with potential lead-paint hazards.

Substandard Housing

The decennial censuses provide only very limited data on housing quality. Most of the housing quality indicators that the census measures relate to battles for housing quality that were won decades ago, or which are of limited relevance in well-governed urban areas. Thus, only about one-half of one percent of the City's housing stock lacks complete plumbing for exclusive use, less than one percent lacks complete kitchen facilities, less than one-tenth of one percent does not have access to the municipal water supply, and less than one percent is not connected to the sewer system. Of these, the CHAS special tabulations referred to above, rely on the kitchen and plumbing measures to identify substandard units. Even in conjunction, these two indicators identify very few housing units as substandard, even in units occupied by households with extremely low household incomes.

The American Housing Survey (AHS) provides a much richer portrait of the quality of Cincinnati's housing stock. Based on a comprehensive checklist that considers everything from too few electrical outlets per room to rodent infestations to sagging roofs, the American Housing Survey classifies housing units according to whether they display severe or moderate physical problems. As shown in the next table, 6.9 percent of Cincinnati's housing units were classified as having moderate or severe physical problems (11,667 units).

As useful as the AHS is, it cannot be used to study the geographic distribution of substandard housing in Cincinnati's neighborhoods, being based on a modest-sized sample and lacking geographic detail below the level of the City as a whole. This plan makes use of the CHAS substandard indicators while recognizing that they grossly

underestimate the prevalence of housing problems. While the City does do some surveys of housing quality, these are limited to a few neighborhoods and are based on external inspections.

Selected Results from the 1990 American Housing Survey

| | N | % of Occupied Housing Units |
|-----------------------------------|-------|-----------------------------|
| Severe Physical Problems | | |
| Any Problems | 2,000 | 1.4 |
| Plumbing | 1,100 | 0.8 |
| Heating | 700 | 0.5 |
| Electric | 0 | 0.0 |
| Upkeep | 300 | 0.2 |
| Hallways | 0 | 0.0 |
| Moderate Physical Problems | | |
| Any Problems | 8,000 | 5.5 |
| Plumbing | 200 | 0.1 |
| Heating | 0 | 0.0 |
| Electric | 7,000 | 4.8 |
| Upkeep | 800 | 0.6 |
| Hallways | 700 | 0.5 |

Homeownership

Cincinnati has a low home ownership rate relative to cities of comparable size. In 1990, 38.3 percent of all households in the City were owner-occupied. For 58 central cities in America with 1990 populations of 200,000 to 700,000, the aggregate rate of home ownership in 1990 was 49.6 percent. Cincinnati's home ownership rate was lower than all but four cities in this range (Newark, Jersey City, Boston and Miami).

Whatever reasons might account for the City's low ownership rate, it is important to point out that the rate has not changed much over the last 50 years. Nor is the problem region-wide. In the last 50 years, the Hamilton County suburbs have gained 140,000 owners while the number of owners in the City has decreased by 1,000. As a result, the home ownership rate in the Cincinnati metropolitan area is greater than the national rate for areas of comparable size (63 percent versus 61 percent) while the rate in the City is far less than the national rate.

Cincinnati shares barriers to home ownership with many other cities. These include a housing stock that is older than that in the suburbs and schools that are perceived to be lower in quality than suburban schools. The best explanation for Cincinnati's low home ownership rate is that the topography of the City encouraged dense development involving multiple-unit structures up until World War II. When the highway programs of the post-war period opened up the suburbs to development, the

City was mostly built-out and could not compete for new single-unit construction that the federal government was subsidizing on a massive scale.

Prior to World War II, there was a premium associated with living in the City. Cincinnati was far from unique in this respect, but unlike other cities, suitable lots for single-family detached homes in Cincinnati were relatively expensive due to the costs associated with hillside development and the number of acres of land devoted to parks. Thus, single-unit detached structures in Cincinnati were reasonably expensive, with the effect that working class families more often rented. In this respect, Cincinnati appears similar to much larger metropolitan areas, such as New York or Chicago, and different than Cleveland, which is essentially flat, and where single-family homes were cheap to build and affordable by the industrial worker.

The City of Cincinnati housing market is dependent upon a steady stream of new residents coming into the area. It remains a viable market for first time buyers, but analyses by the Ohio Housing Research Network suggest that about 75 percent of the people who sell their home inside the City of Cincinnati and who buy again in the region purchase their next home outside of the City. While the City has only 30 percent of the owners in the region, 34 percent of the purchases made in Hamilton County since 1996 have been in the City, suggesting a robust market for first-time buyers.

Cincinnati has retained a good share of the more expensive homes in the area. As shown below, Cincinnati appears to be merely average in this respect. However, like Cleveland, Youngstown and Dayton, the central city of the Cincinnati MSA is landlocked and surrounded by populous suburbs. In contrast, the central cities of Akron, Columbus and Toledo dominate their metropolitan areas. From this perspective, Cincinnati is particularly noteworthy for the extent to which it has retained a large share of higher-income housing.

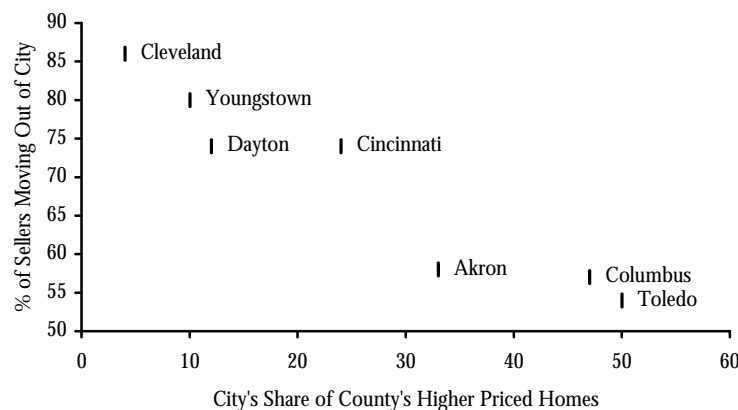


Figure 3: Relationship between the central city's share of higher priced homes and the percentage of city home sellers who move out of the city.

The number of owners in Cincinnati decreased by 2.5 percent from 1980 to 1990, almost, but not quite, the same percentage drop as for all occupied housing units (-2.1 percent).

The median value for owner-occupied houses in the City in 1990 was 85.7 percent of the county median value. Claritas estimates the median home value in 1998 was \$80,497 for the City and \$96,340 for the county as a whole. If correct, the median value in the City has fallen to 83.6 percent of the county total. The increase in the cost of living between 1990 (not 1989, as mentioned earlier) and 1998 was 24.7 percent. The Claritas data suggest the City's owner units have increased in value slightly faster than the rate of inflation, with a real increase of 5.3 percent over the last several years.

| Distribution by Value (1990) | MSA | Hamilton County | City of Cincinnati | City as % of County | City as % of MSA |
|------------------------------|----------|--------------------|-----------------------|------------------------|---------------------|
| Under \$40,000 | 29,690 | 14,636 | 8,205 | 56.1 | 27.6 |
| \$40,000 to \$49,999 | 29,408 | 17,326 | 6,791 | 39.2 | 23.1 |
| \$50,000 to \$59,999 | 38,553 | 22,909 | 7,046 | 30.8 | 18.3 |
| \$60,000 to \$74,999 | 61,591 | 36,175 | 9,078 | 25.1 | 14.7 |
| \$75,000 to \$99,999 | 57,089 | 32,260 | 7,036 | 21.8 | 12.3 |
| \$100,000 to \$124,999 | 25,303 | 14,811 | 2,570 | 17.4 | 10.2 |
| \$125,000 to \$149,999 | 16,022 | 9,788 | 1,570 | 16.0 | 9.8 |
| \$150,000 to \$199,999 | 15,267 | 10,055 | 1,647 | 16.4 | 10.8 |
| \$200,000 or More | 13,587 | 10,836 | 2,393 | 22.1 | 17.6 |
| Median Value | \$71,100 | \$72,200 | \$61,900 | 85.7 | 87.1 |

Based not on reported values, but on sales prices from 1996 to 1998, the City has maintained its relative position in the owner-occupied market, as shown below.

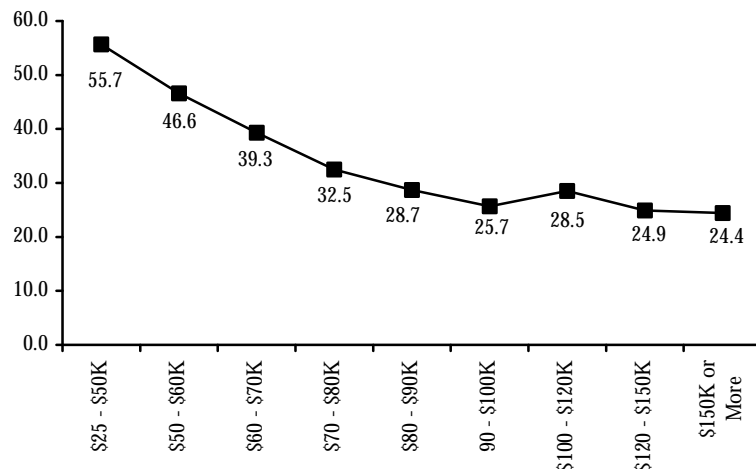


Figure 4: The City's share of the total owner-occupied market in Hamilton County declines as property value increases, based on sales recorded between January 1996 and November 1998.

Fair Housing

Some noteworthy progress has been made in the past decade in Greater Cincinnati towards the goal of fair housing. Advances can be seen in both the private and public sectors.

- It has become easier for moderate income and minority households to purchase housing, reducing a barrier standing in the way of increased home ownership within the City. Lenders, in responding to the federal Community Reinvestment Act (CRA), have fashioned many programs directed towards minorities and moderate-income families in general. The secondary market has also made great strides in creating markets for innovative financing favoring these buyers and the inner city. Furthermore, several private social service agencies have programs to aid with down payments.
- Insurance companies, including several of the largest (Nationwide, Allstate, State Farm) have responded to enforcement actions brought locally and nationally by changing their underwriting criteria. As a result, people seeking casualty insurance for older properties or for homes in predominantly minority areas will less often encounter refusals or inferior coverage.
- Realtors have set up a self-testing program to better monitor and educate its membership.
- The Cincinnati Metropolitan Housing Authority (CMHA) proposed and has begun the reconstruction of the Lincoln Court and the Laurel Homes public housing developments under the HOPE VI program. The provision of Section 8 vouchers to former residents will give them wider housing choice while promoting a more economically and racially diverse West End.
- HOME's Regional Opportunity Counseling Program (ROC) has, under a contract with CMHA and HUD received more funding and has gone region-wide. The program increases housing choice and reduces economic and racial isolation by helping voucher holders find housing in low poverty areas. The ROC program encourages Section 8 voucher holders to seek housing in low poverty areas by providing counseling, job development services, and by seeking landlords in low poverty neighborhoods to make their housing available to Section 8 families. HOME provides initial counseling services to families and transportation for the families to visit rental housing in low poverty areas which has been made available to Section 8 voucher holders. HOME also recruits landlords to participate in the Section 8 program. The Better Housing League provides long-term homeownership counseling and trains ROC participant families in landlord tenant relations and interviewing skills.
- Hamilton County has funded (along with six Cincinnati banks) HOME's Mobility Loan Program, which provides incentives for investors to buy

properties in low-poverty areas of Hamilton County and make them available for rental by ROC program voucher holders. The program promotes the acquisition, refinance or renovation of affordable rental housing in low-poverty areas of Hamilton County with loans contingent on the property becoming available after renovation at affordable rents to low and moderate income families participating in the ROC program.

- The City of Cincinnati has set up a Fair Housing Advisory Committee charged with suggesting areas of action to further fair housing. The City asked Hamilton County to cooperate in making this a countywide panel, but that has not happened yet.

However, substantial obstacles remain before equal opportunity for all, and especially for, African-Americans, is attained in Cincinnati. Agencies continue to receive large numbers of discrimination complaints. While fair housing is being discussed in the context of owner-occupied housing, there are significant concerns on the renter side of the market as well, especially from African Americans and from families with children. It appears as though there is continuing discrimination by the property appraisal industry against inner city and minority areas. Finally, a problem that has emerged very rapidly in the past few years involves the rapidly growing group of investors and sub-prime lenders who are aggressively targeting minorities, elderly and other vulnerable homeowners. Victims of these predatory financing arrangements often lose their homes in foreclosures.

Some problems that should be resolved include:

- The City of Cincinnati continues to fund rental housing for low-income families primarily in poor and minority neighborhoods, thereby increasing the isolation of poverty and African-American households in a few neighborhoods within City boundaries.
- The City allows some of its rental rehabilitation dollars to be spent on its small supply of one and two unit structures. While these rental units could promote deconcentration if minorities rented them, there is an offsetting concern that the program complicates the City's efforts to increase ownership. The potential for conflict between these two policy objectives needs to be resolved.
- The state of Ohio through the Ohio Housing Finance Agency continues to fund Low-Income Housing Tax Credit projects without any regard to their probable effect on housing or school segregation.

In part because of these trends, and in part because more affluent African Americans are migrating to the suburbs, the home ownership gap between whites and African Americans is actually increasing, as shown below.

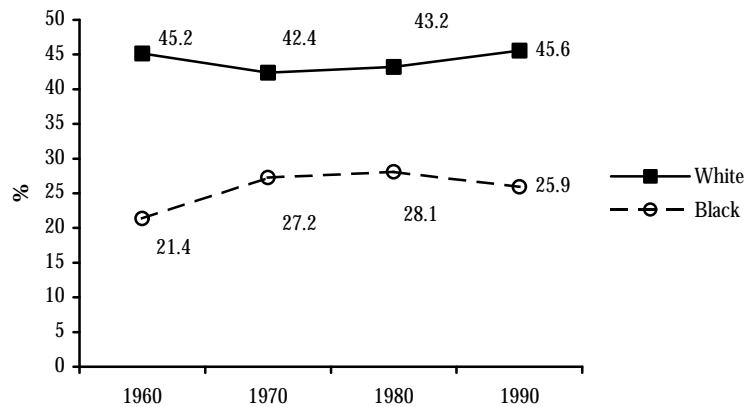


Figure 5: Home ownership rates in Cincinnati for whites and African Americans.

Home Mortgage Disclosure Act (HMDA) data for the MSA as a whole reveals continuing problems with making mortgage loans available to African Americans and residents of low-income neighborhoods (results for conventional loans in 1997 for 1 - 4 family houses).

Conventional Loans

| | Applications | Loans | Denied | Other | % Denied |
|----------------------|--------------|--------|--------|-------|----------|
| White | 27,415 | 19,575 | 4,414 | 3,426 | 16.1% |
| African American | 1,274 | 787 | 106 | 381 | 8.3% |
| Income < 50% MSA | 4,040 | 1,730 | 1,632 | 678 | 40.4% |
| 50-79% | 6,890 | 4,082 | 1,630 | 1,178 | 23.7% |
| 80-99% | 4,395 | 3,040 | 685 | 670 | 15.6% |
| 100-119% | 3,797 | 2,850 | 451 | 496 | 11.9% |
| 120% or more | 11,722 | 9,729 | 677 | 1,316 | 5.8% |
| Income not available | 707 | 408 | 98 | 201 | 13.9% |

"Other" refers to loans that were approved but not accepted or that were withdrawn or incomplete

Very Low Income Homeowners

In 1990, there were 5,032 homeowners in Cincinnati with very low incomes (i.e., less than 30 percent of the size-adjusted area median family income). For a family of four, this adjusted threshold of \$12,720 was approximately equal to the federal poverty threshold. Of the 61,008 owner households in the City, 8.2 percent fell into this category. The elderly constitute by far the single largest class of these poorest owners (see Figure 6). Throughout this section, of those households falling into the "Other" category, nearly all are single-person households. Detailed summaries of the information presented in this section are available in Attachment II of the plan. A glossary is available in Attachment III.

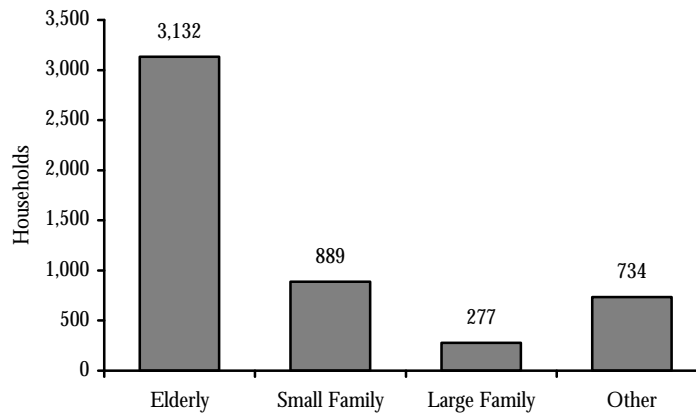


Figure 6: Characteristics of owner households with incomes of 30 percent or less than the metropolitan median family income, adjusted for size of household.

The number of very low-income owners decreased 3 percent between 1980 and 1990. Owners of all types decreased over the decade except in the "Other" category, where the number increased 75 percent.

As shown in Map 5, low and moderate-income owners are not highly concentrated. (All of the neighborhood data presented in this section are estimates since it was not possible to perform the size adjustments to income data at the neighborhood-level.) This is due in part to the high number of low-income owners who are elderly. When such owners have paid off their mortgages, they may be in better economic circumstances than their incomes suggest.

As discussed in the previous section, there is no good set of data upon which to base an assessment of the physical condition of low income housing units. Therefore, this discussion will focus on overcrowding and housing affordability.

The problem of over-crowding is serious primarily for families with 5 or more persons. Overcrowding was a problem for 16 percent of large family owner households in this income category.

MAP 5

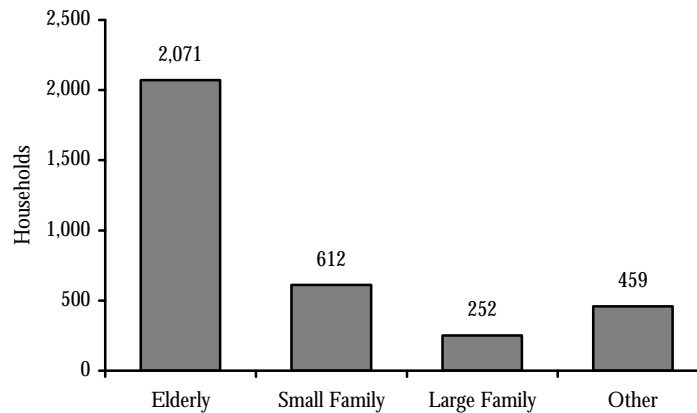


Figure 7: Numbers of owner households with incomes of 30 percent or less than the metropolitan median family income that have problems of overcrowding, substandard conditions or cost burden.

HUD defines affordable housing in terms of the proportion of a household's income spent on housing costs. These include mortgage costs, hazard insurance, property taxes and utilities for owner households. HUD considers a unit is affordable if it consumes 30 percent or less of a household's income.

Two-thirds of very low-income owner households have a housing cost burden greater than 30 percent of income, and the number of such households increased 13 percent between 1980 and 1990.

Low Income Homeowners

Low-income households have incomes between 31 percent and 50 percent of the size-adjusted area median. A two-earner household in which both workers are employed full-time at minimum-wage jobs would fall into this category. In 1990, there were 5,813 low-income owners in Cincinnati, or 10 percent of all owner-occupied households. As was true for the poverty households, the elderly also represent the single largest class of owner households with low incomes. The number of low-income owner households increased 3 percent between 1980 and 1990. There was an 18 percent decline in the number of low-income households that were large families.

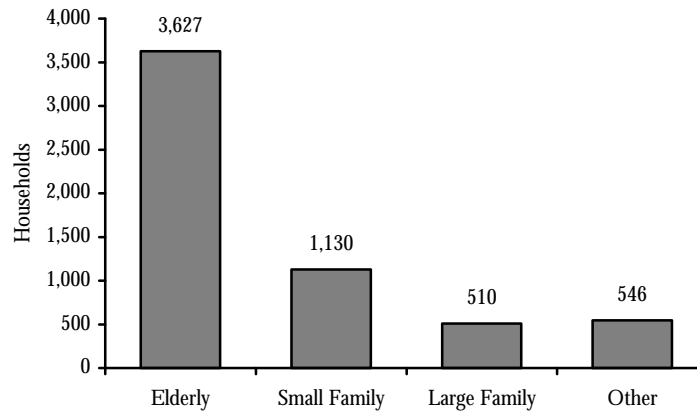


Figure 8: Characteristics of owner households with incomes between 31 and 50 percent of the metropolitan median family income, adjusted for size of household.

One in three low-income owners pays more than 30 percent of incomes for housing.

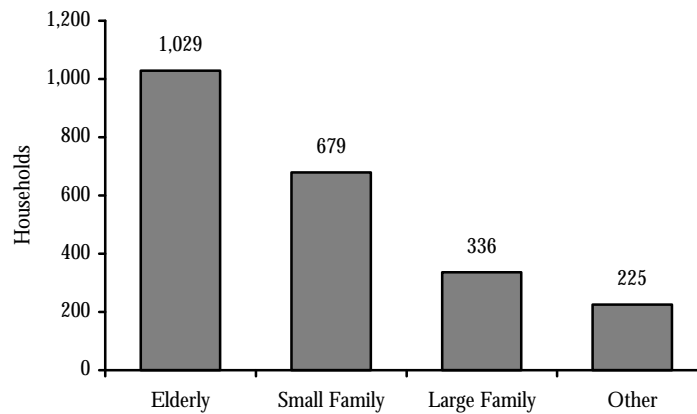


Figure 9: Numbers of owner households with incomes of 31 to 50 percent of the metropolitan median family income that have problems of overcrowding, substandard conditions or cost burden.

Moderate Income Homeowners

In 1990, there were 9,867 moderate-income owner households in Cincinnati, or 16 percent of the owner market. These households have incomes between 51 and 80 percent of the size-adjusted area median family income (or, for a family of four, an 1989 annual income of \$18,500 to \$37,200). The distribution by family type is shown in Figure 10.

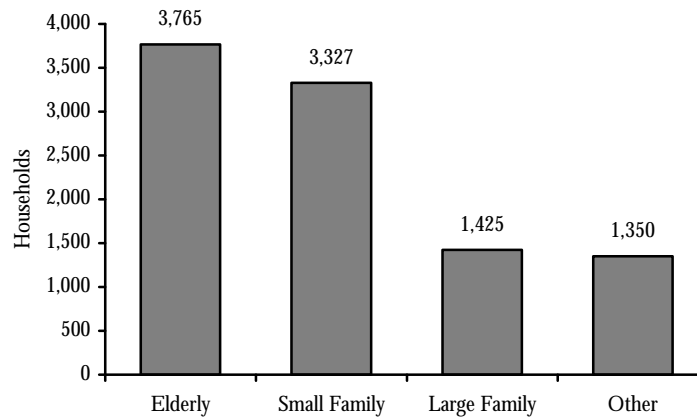


Figure 10: Characteristics of owner households with incomes between 51 and 80 percent of the metropolitan median family income, adjusted for size of household.

The number of moderate-income owners decreased 3 percent between 1980 and 1990. There was a 28 percent increase in the number of "other" moderate-income owner households and decreases in the numbers of elderly and family owner households.

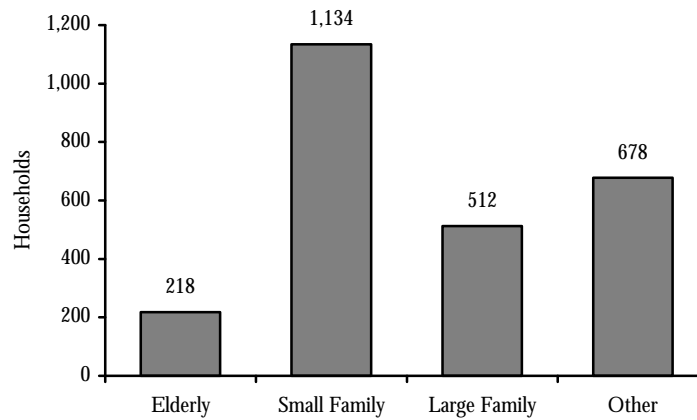


Figure 11: Numbers of owner households with incomes of 51 to 80 percent of the metropolitan median family income that have problems of overcrowding, substandard conditions or cost burden.

The problem of affordability is greatly diminished in the moderate-income category, as compared to the very low and low-income groups; still, 19 percent pay more than 30 percent of their income for housing.

Rental Housing

One of the most important points to make about Cincinnati's rental market is the degree to which African Americans are concentrated in low income rental housing. While 38.7 percent of the heads of rental households are African American, 57.2 percent of the heads of very low-income rental households are African American.

| Rental Households, 1990 | Percentage Distribution | | | | |
|-------------------------|-------------------------|-------|-------|-------|----------|
| | Total | White | Black | Asian | Hispanic |
| All Incomes | 93,235 | 59.1 | 38.7 | 1.0 | 0.5 |
| Income 0 - 30% AMFI | 32,331 | 40.9 | 57.2 | 0.8 | 0.4 |
| Income 31 - 50% AMFI | 15,506 | 57.7 | 40.0 | 1.0 | 0.5 |
| Income 50 - 80% AMFI | 18,110 | 65.7 | 31.4 | 2.2 | 0.2 |

A second point to make is that it is difficult to know how affordability has changed since the most recent census. While the 1990 Census collected detailed information on rents, there is reason to wonder about the quality of the information produced by respondents. One rental household out of every six in the City of Cincinnati receives some form of a rent subsidy, whether by being a public housing unit or through the Section 8 program. Census instructions were for the tenant to record the *true* rent of the unit they were occupying, and not simply the portion of that rent he or she was paying. It seems unlikely many subsidized tenants would have been able to respond accurately. The following table probably understates market rents in the City, as they existed nine years ago.

| Monthly Contract Rent, 1990 | MSA | Hamilton County | City of Cincinnati | City as % of County | City as % of MSA |
|-----------------------------|--------|-----------------|--------------------|---------------------|------------------|
| Under \$200 | 36,589 | 27,358 | 23,189 | 84.8 | 63.4 |
| \$200 to \$299 | 53,634 | 39,164 | 28,784 | 73.5 | 53.7 |
| \$300 to \$399 | 56,749 | 36,946 | 24,938 | 67.5 | 43.9 |
| \$400 to \$499 | 25,045 | 17,725 | 8,506 | 48.0 | 34.0 |
| \$500 to \$599 | 10,783 | 7,578 | 3,392 | 44.8 | 31.5 |
| \$600 to \$699 | 4,230 | 3,062 | 1,518 | 49.6 | 35.9 |
| \$700 to \$999 | 2,971 | 2,272 | 1,193 | 52.5 | 40.2 |
| \$1000 or more | 2,671 | 2,392 | 1,056 | 44.1 | 39.5 |
| Median Rent | \$311 | \$305 | \$280 | 91.8 | 90.0 |

Between 1980 and 1990, the median rent in Cincinnati increased 78.0 percent, outpacing inflation, which increased 58.6 percent. There is only one private research firm in the region that maintains information on market rate rents, and they were unable to provide data for both 1990 and 1999, so it is impossible to say definitively how rents have changed in the City in real terms. HUD provides the following fair market rents. The table also shows average rents based on a 1999 survey of 30,334

units⁴. It appears that the HUD fair market rents are considerably lower than actual market rents. While this firm's research might be skewed away from subsidized units, and therefore result in higher average rents, its results might well be indicative of what renters face when they do not have subsidies. Several apartment managers and specialists on the rental side of the real estate market offered the view that rents in the City proper have not kept pace with inflation in the 1990s.

| Number Bedrooms | Number Units Surveyed | Average Cost of Surveyed Units | HUD Fair Monthly Rent |
|-----------------|-----------------------|--------------------------------|-----------------------|
| 0 | 533 | \$429 | \$309 |
| 1 | 11,084 | \$493 | \$397 |
| 2 | 16,594 | \$625 | \$531 |
| 3 | 2,084 | \$833 | \$712 |
| 4 | 39 | \$1,053 | \$769 |

In partial defense of using census data, analyses to be presented next indicate that a large proportion of Cincinnati's very low income rental households experience an excessive cost burden. If rents were being too badly understated, it is unlikely that the proportion of households with a cost burden would prove to be so large.

Very Low Income Renters

In 1990, there were 32,331 very low-income renter households in Cincinnati with incomes less than 30 percent of the size-adjusted area median family income. Small families (2-4 persons) and other families (usually single persons) are the most common type of renter households in this income bracket, as shown in Figure 12.

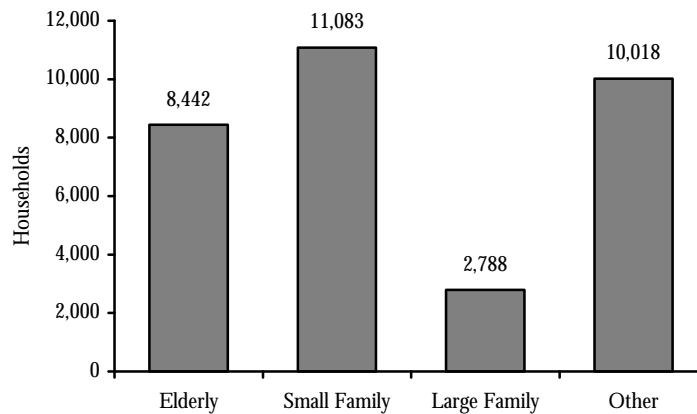


Figure 12: Characteristics of renter households with incomes of 30 percent or less than the metropolitan median family income, adjusted for size of household.

More than 85 percent of the City's poorest households live in rental units. The number of these very poorest rental households increased 14 percent between 1980 and 1990

⁴ Data courtesy of CB Richard Ellis, a Cincinnati real estate firm.

(in contrast, the total number of households in Cincinnati declined). There was a decline in the number of very low-income elderly renters. Most of the increase came from family households in which neither the head nor spouse was elderly.

As shown in Map 6, there is a high degree of concentration of very low-income rental households in an area that corresponds roughly with the Empowerment Zone.

The problem of over-crowding is quite serious for poor families with 5 or more persons who live in rental housing. In 1990, 57 percent of such households in this lowest income category were overcrowded.

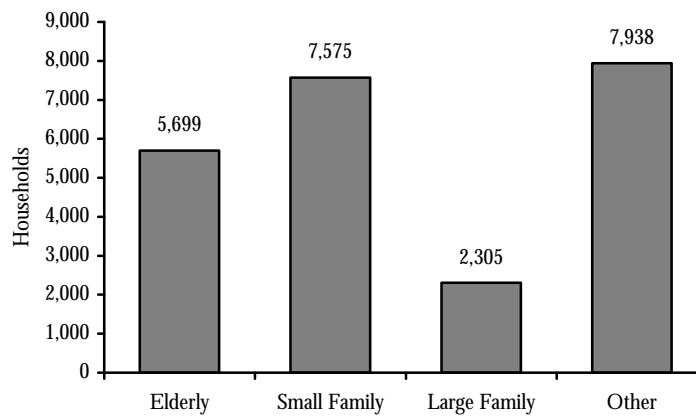


Figure 13: Numbers of renter households with incomes of 30 percent or less than the metropolitan median family income that have problems of overcrowding, substandard conditions or cost burden.

The number of rental households that reported more than one person/room increased 4 percent between 1980 and 1990. However, the number of crowded small family and elderly rental households declined while the number of crowded large family rental households increased more than 4 percent.

Seven out of every ten low-income rental households have a housing cost burden greater than 30 percent of income, and the number of such households increased 5 percent between 1980 and 1990. Approximately half of the lowest income rental households have housing burdens of 50 percent or more.

Low Income
renters

There were 15,506 low-income rental households in 1990 (incomes between 31 and 50 percent of the size-adjusted area median). Overall, the number of very low-income households increased 3 percent between 1980 and 1990. There was a 32 percent decrease in the number of low-income renter households that were large families.

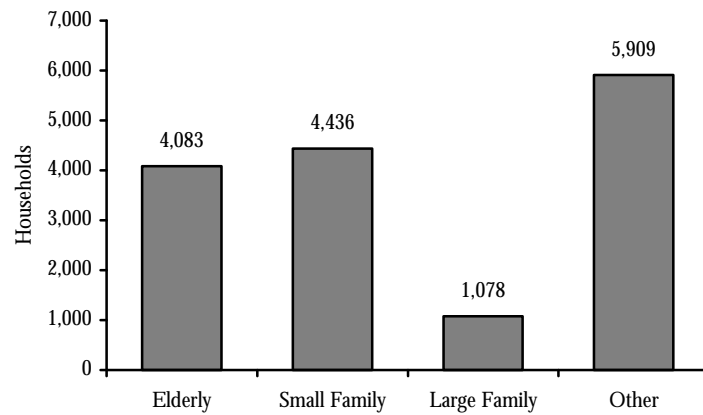


Figure 14: Characteristics of renter households with incomes between 31 and 50 percent of the metropolitan median family income, adjusted for size of household.

As shown in Map 6, there are no neighborhoods that are anywhere near as saturated with low-income as they are saturated with very low-income rental housing

As it was for very low-income households, over-crowding is a serious problem for low-income rental households with 5 or more persons. In 1990, 62 percent of such households were overcrowded.

Over 60 percent of low-income rental households pay more than 30 percent of their incomes for rent.

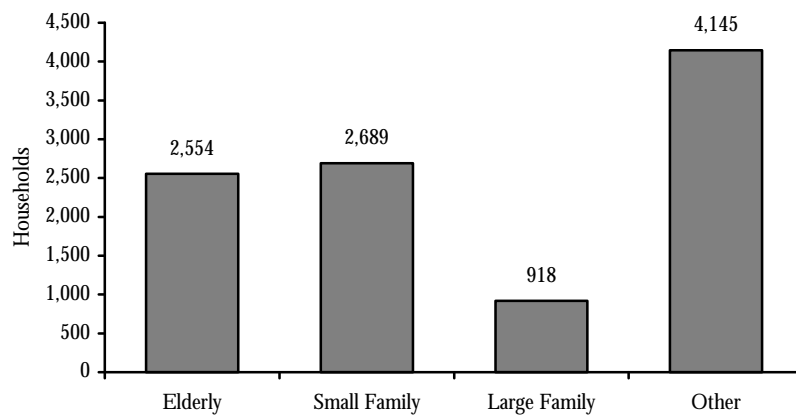


Figure 15: Numbers of renter households with incomes of 31 to 50 percent of the metropolitan median family income that have problems of overcrowding, substandard conditions or cost burden.

MAP 6

Moderate Income Renters

In 1990, there were 18,110 moderate-income rental households in Hamilton County, or 19 percent of City renters, had incomes between 51 and 80 percent of the size-adjusted area median family income (or, for a family of four, an annual income of \$18,500 to \$37,200).

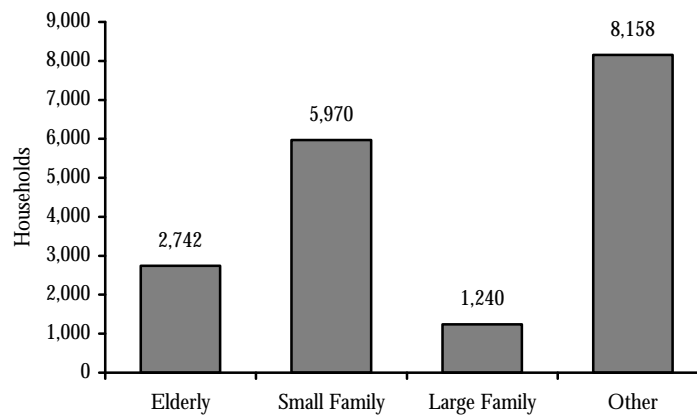


Figure 16: Characteristics of renter households with incomes between 51 and 80 percent of the metropolitan median family income, adjusted for size of household.

The numbers of moderate-income renter households decreased 13 percent between 1980 and 1990, with comparable decreases in every family type.

Overcrowding is a problem for 45 percent of large families in this income category who rent. For no other type of household is overcrowding as much of a problem.

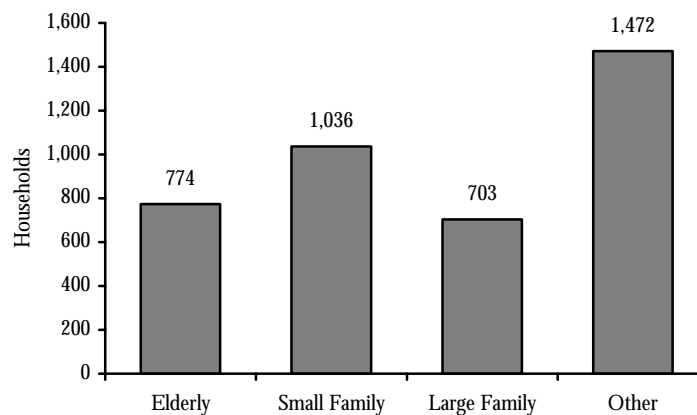


Figure 17: Number of renter households with incomes of 51 to 80 percent of the metropolitan median family income that have problems of overcrowding, substandard conditions or cost burden.

The problem of affordability is greatly diminished in the lower middle class, as compared to the very low income. While 17 percent of moderate-income rental households pay more than 30 percent of their income for rent, fewer than 2 percent pay more than 50 percent.

Subsidized Rental Units

A final point about the City's rental market is that there are approximately 18,000 units of public housing or Section 8 subsidies in the City. There are 84,593 rental households with very low, low or moderate incomes. Thus, approximately one low-income household out of every five has a rent subsidy.

Two inescapable facts about public housing in Cincinnati are:

- It is overwhelmingly occupied by African Americans
- It is highly concentrated geographically (Map 7). In five neighborhoods, over half of the units are assisted, as shown in the following table.

| Neighborhood | Total Rental Units | Section 8 | Public Housing | Assisted Units as % of all Rental Households |
|------------------------------|-----------------------------------|----------------------|---------------------------|---|
| City Total | 95,173 | 10,932 | 6,712 | 18.5 |
| N Fairmount-English Woods | 1,192 | 0 | 896 | 75.2 |
| Fay Apartments | 911 | 651 | 0 | 71.5 |
| Winton Hills | 2,110 | 150 | 1,247 | 66.2 |
| West End | 4,639 | 1,141 | 1,756 | 62.4 |
| S Cumminsville-Millvale | 1,020 | 0 | 586 | 57.5 |
| Over-the-Rhine | 4,293 | 1,866 | 27 | 44.1 |
| Low Price Hill | 453 | 190 | 0 | 41.9 |
| Avondale | 5,870 | 1,337 | 594 | 32.9 |
| Walnut Hills | 3,451 | 846 | 287 | 32.8 |
| Mt Lookout-Columbia Tusculum | 539 | 174 | 0 | 32.3 |
| CBD-Riverfront | 1,462 | 460 | 0 | 31.5 |
| Mt Auburn | 2,078 | 541 | 9 | 26.5 |

Public Housing

History to 1970

The development of public housing in Cincinnati grew out of attempts in the early part of the 20th century to find solutions to worsening slum conditions in the City's older basin residential neighborhoods.⁵ Starting in the early 1930s, Cincinnati planners and housing reformers began to attack these conditions through slum clearance and the construction of large-scale public housing projects. In November 1933, following the passage of federal legislation encouraging the construction of low-income housing,

⁵ This section of the document was prepared by Dr. Fritz Casey-Leininger, and was based on his dissertation research.

MAP 7

Ohio established the Cincinnati Metropolitan Housing Authority (CMHA) to oversee public housing in Cincinnati and two adjacent townships. CMHA won federal approval in 1934 for its first project, Laurel Homes, on a slum clearance site in the West End. Completed in August 1938, it included 1,039 units, with 304 available to African Americans in a separate section.

Between 1938 and 1943, CMHA completed four other housing projects and expanded Laurel Homes by 264 units. The housing authority reserved two of these projects for African-Americans: Lincoln Court (1942, 1,015 units), on a slum clearance site adjacent to Laurel Homes, and Valley Homes (1941, 350 units, sold to residents in 1954), on vacant land near suburban Lockland. It built two other projects for whites on vacant land: English Woods (1942, 750 units), northwest of downtown and west of the industrial Mill Creek valley, and Winton Terrace (1941, 750 units) further north in the Mill Creek valley. With the completion of these projects, CMHA provided roughly equal numbers of units to blacks and whites. These projects housed struggling working families primarily, with preference given to workers in war industries.

CMHA intended these projects not only as shelter, but also as places that would provide residents with stable community settings. To that end, it created racially and economically homogenous projects with community institutions like recreational facilities, community councils, newsletters, and community meeting space. In contrast to disorganized and heterogeneous slums, this arrangement, the authority believed, would help the tenants develop a sense of community with people like themselves that would, with the support of social workers, assist them to live successfully in an urban environment. Once the residents learned to stabilize their lives in the housing project community, they would move to private housing in other stable, homogenous neighborhoods.

Following World War II, the planners and housing reformers renewed their efforts to eliminate slum housing in Cincinnati's old basin residential areas. They planned to clear tens of thousands of housing units starting in the largely black West End to make way for new lower density housing, new commercial and industrial areas, and super highways. New private market housing on the urban fringe would allow white middle-class families to vacate housing in older hilltop neighborhoods, which would be filled with those displaced by urban renewal. The construction of additional public housing would absorb those who couldn't find adequate private housing due to low income or other circumstances.

At the same time, CMHA began to embrace racial and economic diversity believing that it would benefit public housing residents to be integrated into existing communities and that they had the right to be so integrated. As a result, the authority planned to build small housing projects throughout the City whose residents would mingle with other neighborhood residents through close proximity to them and through use of existing community institutions. These plans were derailed, however, by a series of racially motivated campaigns that forced the CMHA to continue its practice

of building public housing in large-scale units primarily on land it already owned near its existing prewar projects. Similar campaigns blocked numbers of privately developed low-income subsidized housing projects as well.

CMHA built its first large post-war project facing Beekman Street near Cumminsville in the Mill Creek Valley not far from English Woods. Millvale North (336 units) opened in the spring of 1954 and Millvale South (280 units) in December of 1955. Findlater Gardens (376 units) adjacent to Winton Terrace followed in 1958. And the housing authority completed its Stanley Rowe project (425 units) in 1964 in the West End near Laurel Homes and Lincoln Court.

Though CMHA found itself unable to develop small scattered-site projects, it did make efforts to racially integrate its projects during the 1950s and 1960s. Although it tried both a first-come first-serve policy at several of its sites and a more controlled experiment in maintaining a set ratio of black to white in Findlater Gardens, by 1970 most residents of CMHA projects were African-American. This occurred for three reasons:

- African-Americans made up the large majority of those displaced from slum clearance sites in the late 1950s and the 1960s.
- Racial discrimination severely limited housing choices for all African-Americans, but especially the poor.
- Whites of all classes had far greater housing options and were absorbed into private housing with relative ease.

Indeed, as the City's black population increased in the 1950s, and especially after slum clearance and superhighway construction began in the mid-1950s in the West End, the CMHA's housing projects acted as nuclei of new and poor African-American communities or helped perpetuate the existence of older ones. In addition, as white middle-class families vacated neighborhoods like Walnut Hills, Evanston, and Avondale, thousands of black families displaced by slum clearance and superhighway construction sites and desperate for housing poured into them. The community opposition to scattered public housing contributed materially to the creation of Cincinnati's post-war neighborhoods that had high concentrations of African-Americans.

Relationship Between CMHA and the City

The Cincinnati Metropolitan Housing Authority Board was established in 1933. Its area of operations was expanded under revised state law in 1986 to include all of Hamilton County except for a square mile in the far northwest corner of the County. CMHA is a separate political subdivision of the state within the meaning of 5739.02 of the Revised Code. Its governing board is comprised of five members, two of whom are appointed by the Mayor of the City of Cincinnati, one by the Hamilton County Commissioners, one by the Hamilton County Court of Common Pleas, and one by the Probate Court of Hamilton County.

Current Status of Public Housing

In the 1960s and 1970s, CMHA initiated a major expansion of housing opportunities for senior citizens. In addition to the Stanley Rowe, mentioned above, CMHA purchased the Redding (122 units) in 1966, the President (109 units) in 1968, the Maple Tower (126 units) in 1967, and the Beechwood (157 units) in 1969. CMHA also purchased the Marquette Manor (140 units) in 1967 and completed the Pinecrest (200 units) in 1972, purchased the Riverview House (110 units) in 1972 and purchased the Park Eden (177 units) in 1973.

At the end of 1998, CMHA operated 7,261 units, of which 598 units were undergoing modernization. Of the 6,663 units available for rent, 6,405 (96.1 percent) were occupied. The turnover rate in 1998 was about 33 percent, of which 13 percent represented households transferring from another CMHA unit. Ninety-six percent of the public housing units are within the boundaries of the City of Cincinnati, and Map 7 reveals that these units are highly concentrated in a few neighborhoods.

Recent significant improvements to public housing include:

- During 1998, comprehensive modernization took place at Stanley Rowe Tower B, a senior community in the West End. Instead of vacating the entire building, Stanley Rowe was modernized in stages. The building's security was enhanced and upgrades were made to the heating and plumbing system.
- In 1997, the Redding returned to full operation after undergoing comprehensive modernization. The President, a senior community in Avondale, also underwent comprehensive modernization during 1998.

CMHA is a now nationally-recognized leader in the management of affordable housing, being twice designated as a high performer under HUD's Public Housing Management Assessment Program (PHMAP). Some important recent accomplishments have been:

- CMHA implemented a tenant-paid utilities program in over 980 homes and apartments where residents have separate meters for gas and electricity. Under the program, CMHA provides an allowance for utilities, which is credited to the resident's account with Cinergy. Residents then pay any overage in their utility bill or keep the excess in allowance that they receive if they are conservative in their energy consumption.
- The appearance of CMHA properties has improved due to enforcement of lease provisions regarding resident upkeep. The lease gives each resident responsibility for the upkeep of a specific area surrounding his or her unit – a *defensible space* – and specifies penalties for failure to maintain that area.
- Crime has decreased 43.5 percent since 1994. CMHA enforces a zero tolerance policy for criminal activity. CMHA works with the Cincinnati Police and other law enforcement agencies to target areas of suspected criminal or drug activity

for investigation. In customer satisfaction surveys of CMHA residents by University of Cincinnati researchers in 1998, 92.1 percent of survey participants indicated support for a strict eviction policy regarding those residents who violate the lease. Surveys also showed that CMHA residents were two or three times more likely to feel safe in public housing as is found in national surveys.

- In August, CMHA initiated a "Housing in a Hurry" campaign. The campaign was developed in response to demands brought by the rental market in Greater Cincinnati. As a convenience to potential residents, the Leasing Department attempts to make eligibility decisions on housing applications within five days.

Several of CMHA's leasing, property management, and maintenance staff participated in extensive customer service training provided by a private training agency.

HOPE VI Projects and City Support

The most recent significant development regarding public housing has been the successful application for HOPE VI funds. CMHA was awarded \$31 million in funds for the revitalization of Lincoln Court. The grant will be leveraged with funds from a variety of sources, including the City of Cincinnati, for a total project cost of \$62 million. The revitalization of Lincoln Court will complement other recent improvements in the West End, such as CitiRama® development (market rate owner housing), Longworth Square and the renovation of Stanley Rowe. CMHA has recently had a second HOPE VI grant awarded, for \$35 million to permit the reconstruction of the Laurel Homes community. CMHA has received a total of \$66 million for these two projects, and will use this to leverage considerably more funding. The City of Cincinnati alone is contributing \$15 million to the projects, and so has a huge stake in the success of the projects.

Between the two projects, 1,856 public housing units are being torn down and replaced over a series of years with 1,130 new units (a loss of 726 units). However, the redevelopment will provide a wider range of affordable housing options. Between the length of time over which the construction will be spread, the relocation efforts, and what are expected to be the salutary effects of decreasing the concentration of persons living in poverty, it is hoped that the impact on current clients can be kept to a minimum.

Prior to HOPE VI, Lincoln Court had 886 units of public housing only. All 886 units will be demolished and replaced with 500 new housing units in two phases. Four hundred of the new rental units will be targeted at broad range of incomes and will include a mixture of private market, public housing, and tax-credit financing. Fifty-four of these rental units will be reserved for seniors and disabled households in a separate facility. Another 100 units will be for-sale townhouses, 50 of which will be reserved for low and moderate-income homebuyers. After HOPE VI, Lincoln Court will have 250 public housing units, 75 tax credit units, 75 market rate units, 100 home ownership

units and 636 Section 8 vouchers. Lincoln Court will be transformed into a mixed-income and mixed-financed community. Present Lincoln Court residents will have the option of staying at Lincoln Court, securing other CMHA housing, or utilizing Section 8 to obtain a unit in the private market. Affordable housing options will increase 15 percent, from 886 units to 1,011 units. Total housing options will increase from 886 units to 1,136 units due to the redevelopment of Lincoln Court.

At Laurel Homes, 715 units will be completed through a combination of rehabilitation and new construction. Six hundred thirty units will be located on the Laurel Homes site. Of these, 500 will be new construction and 130 have already been rehabilitated. Eighty-five units will be located off-site but within the West End neighborhood through a combination of rehabilitation and in-fill new construction. In addition, CMHA is applying for 768 replacement vouchers through the Section 8 Rental Assistance Program. These vouchers would provide Laurel Homes residents and others with the option of moving anywhere in Hamilton County. Combining the homeownership rental and Section 8 Rental Assistance programs, there will be a net gain of 36 percent in housing options.

Policies to
Promote Resident
Involvement with
Public Housing
Management

CMHA has several initiatives to promote resident involvement with management in public housing. CMHA has over twenty (20) duly elected resident organizations. CMHA administrators and property management staff meet regularly with the officers of resident organizations to address concerns about the management of property and other issues. All residents, including officers of resident organizations, have an opportunity to comment on new policies before the housing authority implements them. In addition, one of the five positions on CMHA's Board of Commissioners has been reserved for a resident member for several years. CMHA resident council officers and other residents will also have input in the development of CMHA's Five-Year/Annual Plan to be submitted in Spring 2000.

CMHA Policies to
Promote
Homeownership

CMHA has both indirect and direct methods of promoting homeownership for public housing residents. Indirect methods of promoting homeownership include the implementation of a ceiling rent and income disregards which lower the rent amounts of working families, thus providing an opportunity for them to save money for a downpayment on a home. The HOPE VI revitalization programs support homeownership more directly. CMHA has retained the Greater Cincinnati Mortgage Counseling Service to provide homeownership counseling in anticipation of the homeownership opportunities coming with the Lincoln and Laurel HOPE VI revitalization programs. This counseling is available to all CMHA residents. The HOPE VI programs will provide a total of 125 affordable homeownership units. The City's new homeownership programs are also made available to CMHA residents. Pending final regulations from the U. S. Department of Housing and Urban Development, CMHA also expects to implement a new Earned Income Exclusion policy, which will give residents the option of placing the amount of rent that CMHA is required to disregard in an escrow account. Residents may then use this escrow account to save for a downpayment on a home. CMHA currently operates a Family

Recent
Programming

Self-Sufficiency Program for Section 8 residents, which provides an opportunity for families to save for a downpayment on a home through an escrow account.

CMHA has implemented several income incentives to assist and encourage residents in moving towards economic self-sufficiency. These programs have also promoted stability in CMHA communities by encouraging families to stay as their income increases by capping monthly rent increases. From the end of 1997 to the end of 1998, the number of CMHA residents receiving TANF declined 30.0 percent from 2,334 to 1,633. Meanwhile, earned income from gainful employment increased 36.7 percent from \$20.1 to \$27.4 million and the number of employed residents increased 22.9 percent from 2,073 to 2,548. Among the new programs are the following:

- At the end of 1998, 914 families were paying lower rents as a result of the income disregard program, which became effective on December 1, 1997.
- CMHA has initiated a welfare-to-work program to encourage more families to make the move towards self-sufficiency. Families are eligible for the welfare-to-work program when a member of the household becomes gainfully employed. If the new employment is reported in a timely manner, the household will not have an increase in rent for six months. After six months, the rent increases by 50 percent of the difference between the original rent and the standard rent. After another six months, the household pays the standard rent which applies to their income.

Through its Community Relations Department and social workers, CMHA provides a variety of social and recreational services for residents. Many of these programs are funded through the Drug Elimination Grant.

- Seniors participate in activities ranging from arts and crafts, dance classes, chair exercise classes, workshops, choirs, and trips to the zoo, shopping, the symphony, and local museums.
- The Congregate Housing Services Program (CHSP) serves to allow senior and disabled residents to remain living independently. The CHSP is housed at the Maple Tower senior hi-rise community in Avondale. During 1998, twenty-seven (27) residents participated in the CHSP. The CHSP maintains 18 participants on the roster at a time, sometimes with a short waiting list of applicants.
- CMHA works in concert with the Cincinnati Recreation Commission and other agencies to provide services and opportunities for residents. The Cincinnati Recreation Commission operates several centers out of facilities owned by CMHA. In addition, the Community Relations Department also manages many programs. The Drug Elimination Program aims to eradicate

drugs through increasing security, improving the physical environment, and improving the social well-being of residents.

- The Kaleidoscope Program is a 26-week CMHA-sponsored program designed to help women make positive changes in their lives and achieve their personal and career goals.
- Kumon Math Institute is a proven math development program. The Kumon Math Institute is a supplemental after school program that is intended to significantly improve the mathematical aptitude, speed, proficiency, and test scores of CMHA students in grades K through 12 who live in CMHA's largest family communities.
- The Sylvan Learning Center provides basic academic support for grades K through 12. Over the last year, the program has focused on improving children's basic reading skills, combined with a comprehensive self-esteem building and concentrated motivation program at Findlater Gardens. In November 1998, a second Sylvan Learning Center was opened at Lincoln Court.
- The Urban Minority Alcoholism and Drug Abuse Outreach Program provides drug, alcohol, tobacco, and crime prevention services for youth living in the large family communities.
- The Cincinnati Youth Collaborative developed the Taft-Career Academic Program (T-CAP) to increase the graduation rates of CMHA students at Taft High School.
- The Village Schools is an academic enrichment program supported in part by the Children's Defense Fund.
- The Crossroads Centers provide neighborhood-based comprehensive substance abuse prevention, intervention, and treatment.
- In conjunction with the Cincinnati Public Schools, CMHA supports the EvenStart program. The EvenStart program provides literacy training for family members of all ages. It is available for families at the largest family communities.

In conjunction with Hamilton County, CMHA operates the Affordable Housing Program. With a grant from the Hamilton County Department of Development in 1996, CMHA purchased 14 homes around Hamilton County in areas with low proportions of minorities or low-income residents. Admissions preferences are given to families with members who are employed, full-time students, or receiving some form of disability or retirement income. The families are responsible for maintaining the properties for the five years they are eligible to participate in the program. During

these five years, the families work towards becoming economically self-sufficient. Most recently, beginning in April 1998, the program was expanded by 31 units. This program creates housing opportunities for residents of high poverty neighborhoods to move to low poverty areas. As of October 1999, the portfolio of the program included 100 units.

Characteristics of Residents

Approximately one-third of CMHA public housing residents are elderly or disabled; a total of 2,167 households are composed of a head, spouse, or sole person who has a disability or is 62 years of age or older. Ninety-five percent of CMHA residents are African American.

Section 8 Programs

There are three providers of subsidized housing in Cincinnati under the Section 8 program: the Cincinnati Metropolitan Housing Authority, the Hamilton County Department of Community Development, and HUD's project-based assistance. (This narrative does not emphasize the differences between certificates and vouchers, nor among some of the different programs of Section 8, such as 202). Taken altogether, there are a total of 13,330 Section 8 subsidies in Hamilton County, and based on HUD's database, 10,932 (82.0 percent) of these are being applied toward the rent of units that are located within the City of Cincinnati.

- At the end of 1998, there were 4,640 families participating in CMHA Section 8 programs and over 1,750 landlords. Of these units, 79.6 percent were inside the City.
- Hamilton County assisted 1,703 families with its Section 8 program. An estimated 70 percent of these units are inside the City.
- The remaining 7,128 units are project-based units, of which approximately 85 percent are inside the City.

In addition, the Hamilton County Department of Community Development assists 160 families using a program supported with HOME funds (and which therefore are not reflected in the HUD total of 13,330 units). However, all of these families live outside the City of Cincinnati.

CMHA is working with a variety of groups and agencies, including the Cincinnati Police Department, the Greater Cincinnati/Northern Kentucky Apartment Association, and the City of Cincinnati to develop and implement programs to ensure all citizens have the right to the quiet and peaceful enjoyment of their homes.

The Regional Opportunity Counseling program (ROC), described early in the section on Fair Housing, is a partnership between CMHA and other area nonprofit organizations. Section 8 participants are assisted in using their subsidies for attractive

units located in one of a wide range of communities across the tri-state. Landlords and program participants from throughout the metropolitan area are eligible to participate.

CMHA's Family Self-Sufficiency Program is a voluntary program offered to Section 8 participants. Currently, 430 people are enrolled. The program encourages economic self-sufficiency. The financial incentive is the escrow account. The amount contributed is a result of the family's increased contribution to rent. In 1998, 19 families graduated from the Family Self-Sufficiency Program and received the money deposited in their escrow account.

Since many project-based Section 8 certificates are now renewed annually, Cincinnati is exposed to a significant threat if very many of its current project-based certificates are not renewed. Over two-thirds of the subsidies in Hamilton County have expired and have been extended or are about to expire. Cincinnati does not face some of the housing market pressures that in other cities are causing landlords to opt out of the program. Further, preliminary indications from HUD are that for the project-based assistance units, relatively few landlords are opting out of the system. However, even at this preliminary stage it appears that six locations representing 253 units will no longer participate in the program. Perhaps a more serious problem is that some of these units are in poor condition or have serious management problems. HUD is currently considering enforcement action against 12 locations of project-based Section 8. These 12 projects represent a total of 489 Section 8 units (but a total of 521 units of housing altogether).

Some knowledgeable observers of the Cincinnati market argue that the Section 8 fair market rent levels are too low, and that this is a contributing factor to the concentration of subsidies in the City and in poor neighborhoods (see Map 7). However, in the poorer neighborhoods of the City, the HUD Fair Market rent level and the large proportion of units that are subsidized may operate to inflate market rate rents, thus actually making it more difficult for unsubsidized households to find affordable housing. There is some controversy about this point, however, and not all knowledgeable observers agree.

Barriers to Affordable Housing

Many Cincinnatians, especially very low-income renters, pay 30 percent or more of their income for housing. What are some of the policies that promote and impede the development of affordable housing problem in Cincinnati?

Local Policy Initiatives

Cincinnati has been aware of the need to remove obstacles to affordable housing development for some time. The following policies have been enacted since 1984.

- Reduction in Lot Size and Density Requirements - The Cincinnati Zoning Code was amended in 1984 to reduce the minimum lot size requirements in

low and medium density residential zones. This included reducing side yard and setback requirements for infill housing in older neighborhoods.

- Other amendments addressed reducing lot size for Group Housing and Planned Unit Developments (PUD). Also adopted was a "Special Housing Overlay" (SHO) zone that allows some increase in normal residential density requirements.
- Developers of residential buildings with 20 dwelling units or less are guaranteed to receive approval or disapproval of plans with explanation within 8-10 days from its submission. This is a one-stop process
- The Zoning Code allows the development of facilities for the mentally ill in any zone.
- In 1980, City Council adopted ordinances requiring that any households displaced as a result of City actions should be relocated or accommodated in such a way that they can continue to live in comparable housing.
- City Council agreed by a resolution passed in 1985 to ensure that 1,300 housing units that are affordable to persons of low income will be maintained in the Central Business District.
- Legislation adopted in 1981 and revised in 1986 places restrictions on the demolition of buildings in Over-the-Rhine that have contained any housing since 1975. Its goal is to preserve units that could be used to house low-income households
- In its Relocation Requirements, City Council has an enforceable housing replacement policy that requires the replacement of all occupied and vacant low/moderate income dwelling units that are suitable for occupancy and that are demolished or converted to a use other than low/moderate income housing using City or federal dollars.
- The 1984 Housing Agenda included ordinances and resolutions specifically designed to encourage housing development. The Agenda outlined local procedures to develop housing affordable to low- and moderate-income residents.
- The 1989 Housing Blueprint represented a community effort to set ideal goals for housing production in Cincinnati.

State Regulations

Prior to 1990, the Ohio constitution prohibited local governments from lending and borrowing money for housing. The state could only lend and borrow money for single-family home ownership and elderly rental housing programs. In 1990, Ohio voters passed an amendment that made housing a "public purpose" in Ohio, thus

permitting public-private partnerships for housing development purposes. The City is no longer constrained in how it can apply local government revenue to housing development done in conjunction with private interests. The Cincinnati City Council made a policy decision to begin providing Capital Improvement Program funds for housing development.

The State of Ohio Consolidated Plan for 1999 included mention of the following initiatives:

- HUD-approved plans by the Ohio Housing Finance Agency to administer the Mark-to-Market program in Ohio in an attempt to retain as many project-based Section 8 certificates as possible.
- Ohio has streamlined the application and review process for Low Income Housing Tax Credits for non-profit developments.
- Ohio will be examining some of its programs to determine why there are low participation rates.
- There are state housing prevailing wage requirements.
- Ohio's New Horizons Program can be used as a source of funding for fair housing programs.
- The state offers technical assistance and communications support for persons and organizations concerned with fair housing.

Other Barriers to Affordable Housing

Additional barriers to affordable housing in Cincinnati are as follows:

- As described in an earlier section, there are on-going problems with the flow of private investment dollars to minority and low-income neighborhoods, and there has been a recent surge in predatory lending practices by mortgage companies and investors.
- Neighbors frequently oppose proposals for development of units for lower income residents.
- Some of Cincinnati's older neighborhoods have empty residential buildings in M-2 zones. Under current zoning regulations these buildings cannot be put back into residential use if they are vacant for two or more years.
- Absentee landowners and negligent property owners are sometimes able to walk away from unproductive properties. Since 1992, the City has been more aggressive in boarding up abandoned/neglected buildings and recovering the costs from the owner.

- The housing and zoning Codes of Cincinnati are highly restrictive, difficult to interpret and apply, and thus time consuming to enforce. Major rehabilitation projects are sometimes economically infeasible due to requirements to bring the unit as a whole up to code. The costs of lead abatement have recently emerged as a major cost consideration in rehab projects.
- Developers allege the City's bureaucracy impedes development.

The single most important barrier to affordable housing, however, is the fact that too many Cincinnatians face obstacles to economic self-sufficiency. Cincinnati has multiple neighborhoods with stunning concentrations of poverty and high unemployment rates. Most of these also represent areas with concentration of African Americans. These neighborhoods often have little capacity for producing jobs, inadequate transportation to jobs, and workforces that must be developed. The Empowerment Zone is an example, but not the only one. The City cannot afford to create enough affordable housing to fill the needs of its citizens, nor could they afford to maintain it even if it were built. Nor can the City buy down rents or ownership costs for any significant proportion of the City's poor. The City must devise and implement a comprehensive program for revitalizing its poorest neighborhoods, and a centerpiece of the program must be the leveraging of City funds to increase the flow of private investment dollars.

Homelessness

Because the City of Cincinnati has so many persons living in poverty, the population of persons potentially at risk of homelessness is very large. There were 37,363 persons at the time of the 1990 Census with 1989 incomes below 30 percent of the area wide median family income, after adjusting for household size. Not all of these individuals are equally vulnerable to homelessness. Some are college students with significant support from their parents. Some are in public housing, and while they may not be able to fulfill their contractual obligations to remain there, they have some protection while they are able to do so. Homeowners who can avoid predatory financing schemes that put liens on their homes have some protection. Other risk factors and protective factors could be mentioned. Nevertheless, the threat of homelessness is a source of concern to many of these individuals.

- 53 percent live alone.
- One third live in single parent households, which usually means only one source of income.
- 53 percent are African American.
- Two-thirds are female.

Probably the two most significant considerations in the past 20 years influencing the number of homeless persons in Hamilton County were deinstitutionalization trends and the documented loss of 650 Single Room Occupancy (SRO) units in the downtown core area in the early 1980s. Welfare reform has not been fully implemented and no good local studies have been done tracking former recipients. Shelter providers worry that the ultimate result of welfare reform will be an increase in the homeless population. National studies suggest some families are doing better post-TANF while others are in worse shape.

In the early 1980s the provider community believed the answer to homelessness was, very simply, housing. Since then, advocates and local officials have looked more closely at the causes and solutions to homelessness. While safe, affordable housing at all levels of the continuum (from emergency to permanent) topped the list of identified needs in a recent planning process, other programs were also identified as important, including those directed at self-sufficiency and individual economic development, outreach and prevention, specific needs of special populations, service-enriched housing, and collaborative efforts between providers. These became the cornerstone of the plan in Cincinnati to provide comprehensive housing and services for the homeless.

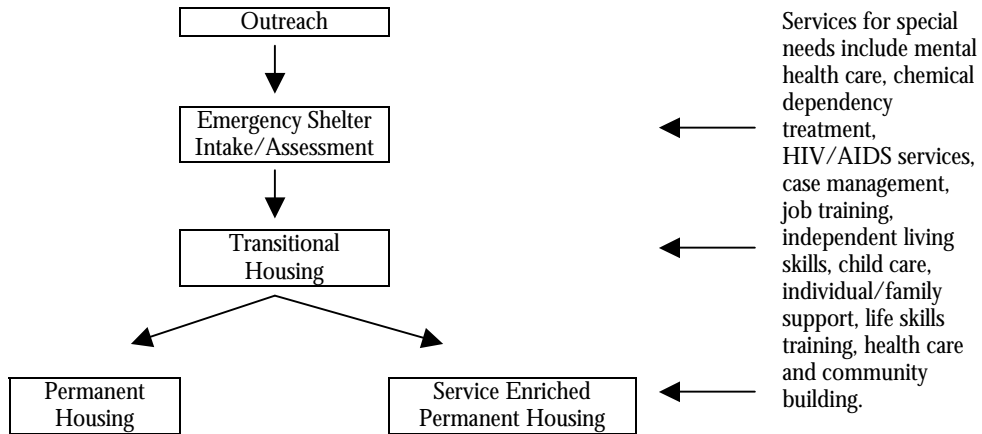
The most important development in the provision of housing to the homeless in the past several years has been the decision by Hamilton County and the City of Cincinnati to undertake a joint process of planning and allocating federal dollars through the Continuum of Care (COC) process. For example, Hamilton County is committed to using the same analyses for the homeless population in their Consolidated Plan as are being presented here. There are some implications of this joint process that have not yet been addressed. For example, with shelter and transitional housing program operational funds not flowing through the City, the City will have to rely on the COC evaluation/monitoring process just established, thus making the continued involvement of City and County staff in that process important. As a second example, the Emergency Shelter Grant (ESG) funds that the City receives are allocated through a planning process separate from the COC process. Nevertheless, the decision to regionalize planning and allocations for one of the most vulnerable segments of the population is a significant stride toward regional cooperation.

The Continuum of Care system within the City of Cincinnati and Hamilton County places great emphasis on outreach and assessment.

Outreach and Assessment

Many agencies provide outreach. In addition to the homeless providers, these agencies include multiple soup kitchens, emergency assistance centers, and health care centers for the homeless. The *Street Vibes* homeless newspaper vendors also serve as points of contact for persons on the street to access the system. Outreach to the homeless without the capacity to supply housing and services will lead to frustration on the part of both the homeless and the providers. However, without adequate outreach, some people will not access the COC system, thereby remaining isolated. Targeted outreach programs are run by Tender Mercies for the

chronically mentally ill and dual diagnosed, by AVOC for persons with HIV/AIDS, and by the Health Resource Center for youth.



Assessment/intake methodology is limited to the abilities of the emergency shelter provider and/or outreach staff person to determine the needs of the homeless individual in partnership with them. Development of specialized assessment tools and support which will lead to more effective case management, coordinated services connection and delivery, and an overall increase in the success rate for the individual homeless person was seen as critical by providers. The Homeless Forum, a group of homeless individuals who annually plan for the COC, additionally noted that success in movement on the Continuum is based on caring, committed service providers who knowledgeably can provide assessment, referral and access information. Over the four years of COC planning several projects have included a new assessment methodology designed to focus on specific/targeted groups including persons with HIV/AIDS, chronic substance abuse, dual diagnosis, and physical/cognitive/sensory disabilities, as well as for persons in job training programs. There is a need for continued focus in the assessment area with special emphasis on disabilities including HIV/AIDS, chronic substance abuse/alcohol, mental illness, and physical/cognitive/sensory disabilities.

Other COC System Components

Other components of the Continuum of Care System include:

- **Emergency Shelters:** The current inventory of emergency shelters includes a total of 681 beds in 14 facilities with an average 79 percent capacity utilization at the time of the 1999 count (details to be provided later in this section). These facilities include both individual and family shelters.
- **Transitional Housing:** The current system includes 26 facilities with approximately 467 beds currently available and 142 under construction as transitional housing for the homeless. These counts are for those transitional housing programs that are designed to serve homeless persons or have received funding to serve homeless persons. This means that facilities that may

on occasion serve a homeless person (for example an alcoholic half-way house) are not counted as transitional housing under the COC. Only actual beds designed for or funded with homeless funds are included. (See the Glossary in Attachment III.)

- Permanent Housing: There are 479 units of service-enriched permanent housing for the homeless. Of these, 272 are Shelter Plus Care (S+C) units that provide housing and services to a total of 428 homeless persons. In addition to the S+C program, a six unit building at Spring Street was built to house the homeless exclusively. There are 11 units at Sharp Village for families with chemical dependency problems. The units were created by combining a tax credit project with Supportive Housing Program (SHP) renovation and service dollars. Tender Mercies has 150 units of permanent housing for people with severe mental illness or dual diagnosis. ReSTOC's Recovery Hotel and Buddy's Place provide 20 units each of service enriched housing for homeless men with disabilities. This inventory includes permanent-housing programs that are designed to serve homeless persons or that have received funding to serve homeless persons and have service-enrichments.

The COC planning process has consistently given high priority to programs that meet the service needs of high priority sub-populations. Special attention has been placed on services that facilitate self-sufficiency and complement the housing programs. Special concerns related to mental health issues, chemical dependency issues, and economic issues (especially in light of welfare reform changes and changes in the SSI regulations) are consistent and must be addressed at every level of the Continuum. Income development through job training and placement, life-skill development, childcare, and community building are service features that have been recognized as important components within all programs.

Numbers of
Homeless Persons
and Families

Previous studies of the number of homeless persons and families done in Cincinnati have not been true point-in-time studies. The following results are based on a study performed by the Partnership Center, Ltd. These results are not based on a night of peak usage. The study was conducted in late August 1999, after the peak summer season for shelter use by women and before the peak winter season for shelter use by men. Therefore, it would not be appropriate to conclude from the following data that the City has excess shelter capacity. All shelters in Hamilton County participated in the study.

The study did not merely examine sheltered populations. A street census, conducted by *Street Vibe* newspaper vendors (homeless individuals) in collaboration with the Greater Cincinnati Coalition for the Homeless found additional persons. In addition, each facility kept a "calls for shelter" log for the day. Names and birth dates from all of these sources were compared and duplicate entries were eliminated. The same point-in-time methodology was used to determine the use of transitional housing programs and

permanent, service-enriched housing designed for homeless individuals or families. The results are shown below and on the next two pages.

| Persons in Shelters | Shelter Capacity (Beds) | | | Persons Homeless | | | |
|---------------------------------------|-------------------------|----------------|----------------|------------------|-------|-----------------|----------|
| | Total | Single Persons | Family Members | Single Persons | Total | Families Adults | Children |
| Anna Louise Inn | 15 | | 15 | | 1 | 1 | 3 |
| Bethany House Services | 25 | | 25 | 0 | 9 | 9 | 19 |
| City Gospel Mission | 34 | 34 | | 6 | 0 | 0 | 0 |
| Chabad House | 40 | | 40 | 1 | 10 | 13 | 26 |
| Drop Inn Center Men's Dorm | 204 | 204 | | 179 | 0 | 0 | 0 |
| Drop Inn Center Women's Dorm | 38 | 38 | | 30 | 0 | 0 | 0 |
| Friars Club | 15 | | 15 | 0 | 5 | 5 | 14 |
| MHB Quick Access Program | 38 | 38 | | 15 | | | |
| Interfaith Hospitality Network | 32 | | 32 | 0 | 6 | 8 | 23 |
| Lighthouse Youth Crisis Center | 20 | 20 | | 15 | 0 | 0 | 0 |
| Mercy Franciscan at St. John | 60 | | 60 | 0 | 9 | 9 | 27 |
| Mt. Airy Shelter | 65 | 65 | | 57 | 0 | 0 | 0 |
| Salvation Army | 20 | | 20 | 3 | 4 | 4 | 10 |
| St. Fran/St. Jos Catholic Worker | 15 | 15 | | 15 | | | |
| YWCA - Alice Paul House | 60 | | 60 | 9 | 13 | 13 | 26 |
| Total Sheltered | 681 | 414 | 267 | 330 | 57 | 62 | 148 |
| Persons Not Sheltered | | | | 0 | 3 | 0 | 3 |
| Calls for shelter | | | | 30 | | 29 | 58 |
| Street Count | | | | 65 | 5 | 9 | 10 |
| Total on Street or in Shelters | 681 | 414 | 267 | 425 | 65 | 100 | 219 |

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| Persons in Transitional Housing Programs | Program Capacity (Beds) | | | Homeless Persons in Programs | | | |
|--|-------------------------|---------------|--------|------------------------------|-------|--------------------|----------|
| | Total | Single Person | Family | Single Person | Total | Families Adults | Children |
| Bethany Place | 5 beds | 5 | 0 | 4 | 0 | 0 | 0 |
| Bethany Transitions | 11 units | 0 | 13 | 1 | 1 | 1 | 3 |
| Caracole | 20 beds | 20 | 0 | 12 | 0 | 0 | 0 |
| Chabad House | 20 units | 0 | 80 | 0 | 7 | 10 | 26 |
| Charlie's 3/4 Way House | 47 beds | 47 | 0 | 41 | 0 | 0 | 0 |
| DIC-Live In Program | 16 beds | 16 | | 14 | 0 | 0 | 0 |
| DIC-Nanny Hinkston House | 6 beds | 6 | | 2 | 0 | 0 | 0 |
| First Step Home | 12 families | | 30 | 7 | 0 | 0 | 0 |
| Glad House | 12 children | | 12 | 0 | 4 | 0 | 12 |
| House of Hope | 25 beds | 25 | | 23 | 0 | 23 | 0 |
| House of Refuge Mission | 12 beds | 0 | 12 | 1 | 0 | 0 | 0 |
| Lighthouse - Reading | 5 units | 11 | 0 | 10 | 0 | 0 | 0 |
| Lighthouse - Brambel | 4 units | 0 | 8 | 0 | 3 | 3 | 3 |
| Lighthouse - Josphine | 5 units | 0 | 20 | 0 | 4 | 4 | 4 |
| Joseph House | 8 beds | 8 | 0 | 7 | 0 | 0 | 0 |
| Justice Watch-Garden Street | 7 beds | 7 | 0 | 6 | 0 | 0 | 0 |
| Moses House | 9 beds | 9 | 0 | 6 | 0 | 0 | 0 |
| Prospect House | 60 beds | 60 | | 61 | 0 | 0 | 0 |
| Salvation Army | 6 units | | 17 | 0 | 3 | 3 | 5 |
| SARA | 5 beds | 5 | | 5 | 0 | 0 | 0 |
| Second Mile Hospitality Min. | 14 beds | 0 | 14 | 1 | 3 | 6 | 5 |
| Serenity Square | 10 beds | 9 | 0 | 9 | 0 | 0 | 0 |
| Starting Over | 60 beds | 60 | 0 | 52 | 0 | 0 | 0 |
| Tender Mercies | 16 beds | 16 | 0 | 16 | 0 | 0 | 0 |
| Tom Geiger Guest House | 24 units | | 75 | 0 | 8 | 8 | 17 |
| YWCA | 6 units | | 24 | 0 | 0 | 0 | 0 |
| Total in Transitional | | 304 | 305 | 278 | 33 | 58 | 75 |

CITY OF CINCINNATI CONSOLIDATED PLAN

| Permanent Housing | Total Units | Bed Allocation | | | | | | Actual Count | | | |
|------------------------------------|-------------|-----------------------|-----|----|----|---|-----|---------------|--------|---------------|---------------------|
| | | Total Number Bedrooms | | | | | | Single Person | Family | Single Person | Persons in Families |
| | | -1 | 1 | 2 | 3 | 4 | | | | | |
| Shelter Plus Care and Year Started | | | | | | | | | | | |
| Caracole 93 | 42 | 0 | 27 | 7 | 8 | 0 | 34 | 26 | 34 | 35 | |
| Excel 93 | 43 | 1 | 38 | 3 | 1 | 0 | 39 | 9 | 39 | 10 | |
| Talbert 93 | 21 | 0 | 13 | 4 | 4 | | 13 | 20 | 13 | 25 | |
| Caracole 95 | 21 | 0 | 11 | 7 | 2 | 1 | 16 | 22 | 16 | 29 | |
| Excel 95 | 23 | 1 | 20 | 1 | 1 | 0 | 21 | 5 | 21 | 7 | |
| Lighthouse 95 | 11 | | 7 | 2 | 2 | | 8 | 12 | 8 | 12 | |
| Talbert 95 | 13 | 0 | 5 | 3 | 4 | 1 | 5 | 22 | 5 | 25 | |
| Excel 96 | 33 | 2 | 28 | 3 | 0 | 0 | 30 | 6 | 30 | 7 | |
| Lighthouse 96 | 7 | | 3 | 9 | 3 | | 3 | 37 | 3 | 37 | |
| Talbert 96 | 7 | 0 | 1 | 4 | 2 | | 1 | 11 | 1 | 22 | |
| Excel 97 | 37 | 2 | 32 | 2 | 1 | 0 | 34 | 7 | 34 | 9 | |
| Caracole 98 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Excel 98 | 6 | 0 | 6 | 0 | 0 | 0 | 6 | 0 | 6 | 0 | |
| Talbert 98 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | |
| Total | 272 | 6 | 191 | 45 | 28 | 2 | 210 | 177 | 210 | 218 | |
| Service Enriched Permanent Housing | | | | | | | | | | | |
| Spring Street | 6 | | 3 | 3 | | | 3 | 7 | 3 | 7 | |
| Sharp Village | 11 | 2 | 2 | 7 | | | 3 | 17 | 3 | 17 | |
| Tender Mercies | 150 | 150 | | | | | 150 | | 150 | | |
| Recovery Hotel | 20 | 20 | | | | | 20 | | 19 | | |
| Buddy's Place | 20 | 20 | | | | | 20 | | 14 | | |
| Total | 207 | 192 | 5 | 10 | 0 | 0 | 196 | 24 | 189 | 24 | |
| Combined Total | 479 | 198 | 196 | 55 | 28 | 2 | 406 | 201 | 399 | 242 | |

The City Human
Services Policy

The City has recently developed a new policy for funding human services. Historically, the City has supported many human services, including consumer protection, employment and training, health, human relations, recreation, and youth services. The City through its departments and divisions has directly provided these services, has contracted for services with other agencies, and has facilitated access to services.

The City allocates General Fund dollars for human services, as well as Community Development Block Grant, Emergency Shelter Grant and other dollars as available. The General Fund percentage is currently 1.5 percent of General Fund revenues . Total City of Cincinnati funding for Human Services, facility improvements, shelters, and operational support in 1998 was approximately \$7.35 million. This amount was contracted to more than 50 independent agencies for the delivery of human services.

The Human Services Policy developed in the 1980s and revised in the early 1990s established funding priorities for the City of Cincinnati's use of general funds for support of human services. The priorities established by the Policy are as follows:

- Services that meet basic emergency human needs (food, shelter, clothing, and protection from abuse and neglect).
- Services that prevent institutionalization and promote self-care.
- Enhancement or quality of life services for those whose basic needs are already met.

The Human Services Advisory Committee (HSAC) was established to assist in planning, developing, and implementing human services programs. The HSAC reviews proposals for funding and makes recommendations concerning the allocation of City funds. The HSAC also participates in monitoring the delivery of human services, advises on development of goals and objectives for government action in the area of human services, and advises on both the need for, and opportunities to achieve coordination of, human services. The HSAC has 13 members representative of the key actors in human service delivery and community organizations.

According to a recent study, more than \$1.2 billion was spent during 1997 in Hamilton County on all human services. This includes \$671 million for Temporary Assistance for Needy Families (TANF) and Medicaid payments (paid directly by the State and administered by the Hamilton County Department of Human Services) and \$134 million for court ordered child support. Subtracting these amounts from the total leaves \$362 million. Of this amount, the City of Cincinnati allocates 2 percent. The United Way and Community Chest and the Community Mental Health Board both control larger amounts of human services program dollars than the City.

The City is generally successful in funding services that others do not, thus filling gaps that would exist otherwise. This is particularly true in the service categories of Youth Services and Emergency/Homeless Services. It is true to a lesser extent in the categories of Substance Abuse, the Disabled, Community Services, and Employment Services.

The largest percentage of City human services dollars (25.9 percent) goes to support Emergency/Homeless Services, which is the City's first priority for funding under the current Human Services Policy. Note, however, that these funds could be more effectively coordinated with the Continuum of Care process. Other focus areas for City funding are Youth Services (25.8 percent), Family Services (9.2 percent), and Substance Abuse Services (10.9 percent). These allocations are all consistent with the Human Services Policy.

Housing for Special Populations

The Elderly

At the time of the 1990 Census, 50,726 persons in Cincinnati (23.9 percent) were age 65 or older. With the aging of the baby boomers, this number will start to explode around the year 2010, but it is still increasing at present because older homeowners are not deserting the City and because of the increasing numbers of people who live beyond their 80th year.

At the time of the 1990 Census, 9 percent of these older persons were living in group quarters and 9 percent were living in institutions, the latter group being nearly entirely in nursing homes. Nearly half of the 37,387 households with a member 65 or over were owners. One-third had a disability that would have interfered with the kind or amount of work they could perform (all disability definitions are given in Attachment III).

The census can be used in a limited fashion to identify the frail elderly. Eighteen percent of persons 65-74 and 31 percent of persons 75 and older reported either a mobility limitation or a self-care limitation, or both.

Physical Impairments

Most of Cincinnati's housing stock is unsuited for persons with physical disabilities. Significant portions of units are built on hillsides or raised foundations and the majority of low-income rental units are multi-storied. Independent Living Options (ILO) reports that many clients remain in the units they were living in when the disability occurred. That organization estimates a need for a total of 29,000 accessible units. Based on the 1990 Census, there are 42,711 households in which at least one member has a physical disability. Of these, 36.8 percent are very low-income households (< 30 percent of area median family income) and an additional 18.0 percent have incomes in the 51-80 percent range. It is not widely enough appreciated how many low-income households must confront the barriers associated with disabilities.

| | Renter | | Owner | | Total |
|------------------------------|-----------------|-----------------|----------------|----------------|-----------------|
| | Non-Elderly | Elderly | Non-Elderly | Elderly | |
| All Households | 75,022 | 20,009 | 38,511 | 20,800 | 154,342 |
| Head or Spouse Disabled | 15,375 20.5% | 9,807 49.0% | 5,714 14.8% | 8,381 40.3% | 39,277 25.4% |
| Mobility and Self-Care | 1,117 | 1,476 | 280 | 1,417 | 4,290 |
| Mobility Only | 1,981 | 2,694 | 614 | 2,133 | 7,423 |
| Self-Care Only | 3,533 | 1,453 | 1,055 | 1,379 | 7,420 |
| Work Disability | 8,698 | 4,408 | 3,662 | 3,825 | 20,592 |
| Anyone in Household Disabled | 16,735 22.3% | 10,027 50.1% | 7,022 18.2% | 8,927 42.9% | 42,711 27.7% |

Persons with physical disabilities must have accessible units. The Cincinnati Metropolitan Housing Authority (CMHA) has a limited supply of handicapped accessible units, used for both elderly and non-elderly households. CMHA has begun a program of adapting existing units, although this work will take a long time and, even when completed, not provide as many units as are needed.

One fourth of all first time calls for assistance to ILO are housing related. Perhaps 10 percent of those requesting other services, such as independent living, attendant care or peer support, quickly discover that housing plays a primary role in their goals. Another 25 percent of long-term clients begin to look for housing that meets their needs during their time with ILO. About 40 people are looking for accessible housing at any one time.

The Center for Independent Living Options, Inc. develops and continually updates and expands housing referral listings. These listings include properties conventionally subsidized by the Department of Housing and Urban Development (HUD), subsidized by Section 8 certificates and/or Tenant Based Assistance Grants (TBA), as well as market rentals. The housing referral lists are distributed to consumers with disabilities who are seeking barrier-free accessible units according to their income eligibility. The Center distributed 143 housing referral listings in 1998.

On the basis of housing advocacy efforts, the Center is affiliated with state and national Fair Housing advocacy groups to legislate for the expansion and improvement of accessible housing for people with disabilities.

Mental Retardation
And
Developmental
Disabilities

The Hamilton County Board of Mental Retardation and Developmental Disabilities (HCBMR/DD) has provided residential services since the late 1970s. These services have been provided directly or through contractual agreements with non-profit and for profit agencies. Since July 1998 all residential services are contracted.

The first group home in Hamilton County for individuals with MR/DD was Perin House, located in Avondale. Twelve individuals originally lived there. Today there are approximately 1,000 individuals with disabilities receiving residential services and supports. They have multiple residential options:

- Supported Living (SL): Identified supports are given to individuals in a family home or other living arrangement. Supported living is paid for by MR/DD tax levy funds, State of Ohio SL funds, and income from individuals and families.
- Group Homes: Five to eight people live in a home with round-the-clock staff. These homes are funded by the Residential Facility Waiver (federal funds and State General Revenue funds that flow through the state to the county).
- Intermediate Care Facilities for the Mentally Retarded: These medical facilities must meet a standardized level of care, set by federal and state officials.

- Independent Living: Individuals with MR/DD live independently with support from community case managers (based on various funding sources).
- Foster Care: Individuals live with caregivers in the caregiver's home.

There is currently a waiting list of 500 individuals for residential services. In addition, approximately 300 individuals are requesting an alternative residential option.

Mentally III

In addition to the Shelter Plus Care permanent housing provided by Excel (discussed earlier), other housing is available for the mentally ill.

- Cincinnati Restoration, Inc. provides Community Living Support Services. This is 8,000 hours of supportive visits in-house.
- The Community Support Network provides 48 individuals, who were long-term State Hospital inpatients, assistance in obtaining permanent housing with intensive case management and housing services.
- The Housing Administrator Extended Living Program, or HELP, provides services similar to those in the adult foster care system, but is provided to individuals living in independent apartments within the Excel housing system.
- Persons with physical or mental disabilities who are not elderly may move into CMHA elderly units. However, supportive services are very limited and are not directly tied to the housing.
- In addition to the Shelter Plus Care program, Excel provides scattered-site, independent housing for seriously disabled persons living in Hamilton County. To date Excel has developed, or is in the process of developing, 302 units of housing in 72 buildings.
- Excel currently operates housing in twenty-one neighborhoods throughout Cincinnati and Hamilton County.
- Excel also operates a rent subsidy program funded by the Ohio Department of Mental Health. This program currently provides temporary rent subsidy for 500 units of housing throughout Cincinnati and Hamilton County for qualified, mentally disabled, low-income clients of the Hamilton County Community Mental Health Board.
- Finally, Excel operates a rent subsidy program funded by the Hamilton County Department of Community Development using HOME funding from the U.S. Department of Housing and Urban Development. This program provides rental assistance for mentally disabled individuals who live in Hamilton County outside the City of Cincinnati.

Excel has a waiting list of about 200 people for its resources.

HIV/AIDS

The City recently commissioned an evaluation of its services to persons with HIV/AIDS. The City is the grantee for a 12 county Eligible Metropolitan Statistical Area (EMSA) that covers parts of three states, so the following discussion is not specific to the City of Cincinnati.

There have been remarkable medical advances in the treatment of AIDS and HIV infection over the past few years. These gains accrue fully only to persons who are followed by medical specialists, who are able to take protease inhibitors as prescribed, and who are able to avoid insults to their immune systems. As a result of these gains, the number of deaths due to AIDS has fallen dramatically since 1995.

It is estimated that there are approximately 700 people in the EMSA who have been diagnosed with AIDS (even though they may no longer have clinically apparent AIDS if they have benefited from treatment advances). In addition, it is estimated that there are 1,400 to 2,100 other people in the EMSA who are HIV+. Thus, there are 2,100 to 2,800 people with HIV/AIDS in the region. Based on national estimates, it is probable that 500 to 700 of these people are unaware of their HIV+ status. While AIDS mortality may be dropping, there is no evidence that HIV prevalence is declining. It is, therefore, likely that the total number of persons living with HIV/AIDS will increase.

At one time, HIV/AIDS was predominantly a gay white male disease. Over the past several years, new cases of HIV infection in the region have been more likely to occur among African Americans than among whites. While more men than women are infected each year, the prevalence among women is increasing. Men having sex with men is still the most common risk factor associated with new infections. The risk of infection through injection drug use remains lower in the Cincinnati area than in many other cities. However, persons with HIV/AIDS are increasingly likely to have substance abuse problems. In addition, more persons with HIV/AIDS are likely to be suffering from serious mental illness than was the case several years ago.

The medical needs of persons with HIV/AIDS in the Cincinnati region are admirably served by the Infectious Diseases Clinic at Holmes Hospital, which follows the vast majority of persons with HIV/AIDS who are in treatment.

Three local agencies play major roles in the provision of case management and housing services to the population of persons with HIV/AIDS: AVOC (AIDS Volunteers of Cincinnati), Caracole, Inc., and the Northern Kentucky Independent District Health Department. Other members of the case management network include the Infectious Diseases Clinic, the Family Care Center (formerly part of Children's Hospital Medical Center), and the Cincinnati Health Network.

Substance Abuse

The major funding agency for persons in Hamilton County who have substance abuse problems is the Hamilton County Alcohol and Drug Addiction Services (ADAS) board. The ADAS board funds agencies with a combined capacity of 445 beds. While

these beds do not meet the HUD definition of transitional housing for the homeless, they do represent transitional housing for people who are underhoused upon admission and who require placement upon discharge. For example, a survey conducted by the Substance Abuse Management and Development Corporation (SAMAD) for the ADAS Board found that the biggest problem the staff of residential facilities faced in discharge planning was finding transitional housing. Not only does this problem delay release dates, it also interferes with recovery if a patient has to go back into a situation where recovery support was very limited. Indeed, there was so much concern about the lack of suitable transitional housing that the ADAS Board authorized SAMAD to initiate a program of creating new transitional homes for patients, two of which are operational, with one more about to become so.

ADAS allocates state and federal treatment and prevention dollars to the county to ten agencies. ADAS dollars from the state have remained flat since 1994. Any new dollars into the system and through ADAS are either a negotiated set-aside of the indigent healthcare levy dollars for the AOD system or restricted to a particular population.

Neighborhood Revitalization

The way in which Cincinnati can leverage its funding dollars and create multiplicative effects from its community development investments and its housing investments is by bringing both types of investments under a common planning process that emphasizes neighborhood revitalization.

One of the great strengths of the City of Cincinnati is the degree to which residents identify themselves as members of a neighborhood. And it is to the City's credit that it tries to work through neighborhood groups. However, when there is dissension at the neighborhood level as to the direction that development should take, planning efforts often stall. Too many planning efforts happen in isolation from others. While the Cincinnati Neighborhood Business Districts United has done interesting work in developing a peer review process for deciding how to spend City investment dollars in neighborhood business districts, that allocation process is removed from the allocation of housing dollars through the Community Development Advisory Board.

Perhaps the most impressive recent example that the City can engage in the kind of integrated planning process it needs more of resulted in the designation of the new Empowerment Zone. The City of Cincinnati joined with nine neighborhoods to win Federal EZ designation. Cincinnati was one of 15 cities selected for \$ 100 million grant packages plus \$130 million in bond authority. Officials of the U.S. Department of Housing and Urban Development stated Cincinnati ranked second out of 119 cities competing nationwide. The City Administration coordinated strategic planning efforts involving over 200 citizens, including residents from the nine neighborhoods, regional businesses, nonprofit organizations, institutions, and public agencies. The comprehensive strategic plans included 24 programs to assist the distressed areas of the

Empowerment Zone. The City also coordinated fundraising that secured \$2.2 billion in local match and 10,037 job commitments to assist in implementing the strategic plan over the next 10 years. It was disappointing that the federal budgetary commitment was initially \$3 million rather than the \$10 million/year expected. It is too early to know if enough resources will become available to fulfill the promise of the plan, but the process shows that the City knows how it must proceed.

In October 1997, with the concurrence of City Council, the Department of Neighborhood Services convened a Neighborhood Revitalization and Development Committee. The members of the committee reflected the spectrum of City departments, public and private organizations, and neighborhood interests that are concerned with neighborhood development. The charge to the committee was to review the current status of neighborhood development corporations (NDCs) and to recommend a new approach to neighborhood development in Cincinnati.

The committee found that a new approach to neighborhood development and revitalization was warranted.

- Past development efforts have not always been as concentrated geographically as might be necessary to achieve the desired impact. There is a need for a program that would target places, such as a portion of a particular neighborhood.
- When City departments have coordinated their efforts, the results have been very positive. Examples of such coordination include the Findlay Market area (Economic Development and Neighborhood Services) and CitiRama[®] (Neighborhood Services and Public Works).
- Like similar organizations around the country, many local NDCs have concentrated their efforts on housing. Too few are concerned broadly with neighborhood revitalization. Revitalization efforts must be comprehensive, and address economic development needs and human service needs in addition to housing needs. Comprehensive community development is a set of activities that promotes the health and vitality of a neighborhood or community by strengthening civic involvement and other community assets in more than one of the following areas: increasing economic opportunities; human/social development; and physical revitalization and development.
- The City must collaborate with the many partners in the private and public sector who can play a role in neighborhood revitalization. The City does not have sufficient funds to accomplish neighborhood revitalization on its own.

Following is a short list of some of the larger organizations or partnerships with which the City might coordinate. In addition to the organizations listed, the City

works with the various community councils and smaller neighborhood development corporations.

- The Community Investment Partners is a funders' collaborative, formed in January 1998, by The Fifth Third Bank, The Greater Cincinnati Foundation, The Procter & Gamble Fund, and the United Way & Community Chest of Greater Cincinnati. The funders committed \$2 million and agreed jointly to oversee a five-year grant making initiative focused on comprehensive community development.
- The Greater Cincinnati Housing Alliance grew out of a public planning process that had significant support from the Procter & Gamble Company and the United Way and Community Chest.
- The Neighborhood Development Corporation Association of Cincinnati supports affordable housing and economic revitalization of neighborhoods.
- The Cincinnati Development Fund provides capital and financial consulting to developers who want to create affordable housing.
- The Local Initiatives Support Corporation (LISC) has been invited into the Cincinnati area and will begin local efforts in the new future.